FBIS DAILY REPORT

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AREA PLANNING CONFERENCE OPENS IN MEXICO CITY

De la Madrid Addresses Opening

FL161551 Mexico City NOTIMEX in Spanish 1820 GMT 15 Apr 85

[Excerpts] Mexico City, 15 Apr (NOTIMEX) -- Mexican President Miguel de la Madrid today inaugurated the Fifth Latin American and Caribbean Planning Conference, calling on all countries in the region to vigorously assume their responsibilities in the face of the international economic crisis. He stressed that the Latin American countries should reject the idea of transferring responsibilities abroad and said it is the countries themselves in the area which should propose and defend a theory aimed at overcoming present conditions.

He noted that the economic problems being faced by Latin America are due to an inadequate international economic order, but the nations should reject any plans of transferring responsibilities abroad. He emphasized that the Latin Americans themselves are mainly responsible for their development, and added that we must become increasingly aware that the effort is the decisive factor to overcome the crisis, and that changes needed by the society, economy, and political front must be made to give our development a solid, strong, and just foundation.

Programming Secretary Speaks

FL161612 Mexico City NOTIMEX in Spanish 1758 GMT 15 Apr 85

[Text] Mexico City, 15 Apr (NOTIMEX) -- Mexico, together with the developing countries, firmly demands the urgent restructuring of world economic relations, Secretary of Programming and Budget Carlos Salinas de Gortari said here today. Speaking at the inauguration of the Fifth Latin American and Caribbean Planning Conference, the Mexican public servant said Latin America is living through a crisis within a crisis. He added that the proposals to effect such restructuring focus on four basic aspects: increasing world trade, increasing international capital flow to developing countries, decreasing protectionism, and lowering the high real interest rates.

Referring to the Latin American foreign debt, he said it is not financial but rather political. The solution of the debt problem cannot entail the stagnation of our countries, which works against social stability and puts democracy in danger, he emphasized. Salinas de Gortari said that even if the debt problems did not exist, the countries of the Latin American region would continue to suffer from serious structural obstacles: low productivity, insufficient savings, poor distribution of income, and inability to compete with foreign producers. The secretary said Latin American integration is a project rich in experience but laden with too many frustrations, which requires us to avoid daydreaming and work realistically and forcefully.

Cuban Official Calls for Integration

FL151450 Mexico City NOTIMEX in Spanish 2315 GMT 13 Apr 85

[Text] Mexico City, 13 Apr (NOTIMEX) -- The time has come for Latin America to become economically independent because it has the resources necessary to overcome the current crisis. This statement was made by Herminio Garcia Lazo, vice chairman of the Central Planning Board of Cuba, who is attending the Fifth Latin America and Caribbean planning conference, which will be opened here Monday by President Miguel de la Madrid.

Upon his arrival in Mexico City, the Cuban official stated that economic independence is at our fingertips and to the degree that Latin Americans join together, they can overcome any adversity, be it economical or political. He said that despite the aggressions and threats Latin America currently faces, it has the opportunity to resolve the crisis situation because it has the necessary human resources to do so. Our continent is large, rich, and powerful, and unfortunately it has been subject for many years to exploitation and pillage. For that reason, it is necessary to seek common solutions to this particular problem.

He also said that if Latin Americans manage to work toward a common goal and put aside everything that up to now has caused artificial division, our future will be bright because our continent is one of the richest in the world. Finally, the distinguished visitor said that even though the current economic crisis has caused great problems for Latin America in the past 2 years, it is also true that in the same period, the nations of the region have become aware that the best solution to the problems is to work together using a common language to confront the financial problems in a collective manner.

Nicaraguan Minister Wants More Trade

FL151838 Mexico City NOTIMEX in Spanish 2331 GMT 13 Apr 85

[Text] Mexico City, 13 Apr (NOTIMEX) -- Nicaraguan Planning Minister Luis Enrique Figueroa said today that Latin America is now the continent of the future because it has great natural and human resources with which to overcome the crisis. He said that when trade relations are strengthened among the countries of the region, the stage will be set for major development. He noted that every day, all the countries of the continent are deciding to set up better planning methods to take the best economic paths for their peoples.

Enrique Figueroa, who will participate in the Fifth Latin American and Caribbean Planning Conference, which will open here on Monday, said the main problem now facing Nicaragua's economy is aggression, which is also the main enemy of planning. On this matter, he stressed that his country as well as all the nations of the world must find a way to resolve this problem because we are sure that justice will prevail, just causes always prevail, and cloudy skies always clear.

Regarding the Fifth Latin American and Caribbean Planning Conference, the Nicaraguan official said any meeting called by Latin Americans has as an objective to strengthen friendship ties and relations in general among the inhabitants of the continent. He called the meeting very important because during the sessions that will begin Monday, various problems will be studied including the world economic crisis and the planning policies being followed by different states.

IBERO-AMERICAN CAPITAL CITIES MEETING OPENS

FL161934 Mexico City NOTIMEX in Spanish 1815 GMT 16 Apr 85

[Excerpt] Mexico City, 16 Apr (NOTIMEX) -- President Miguel de la Madrid today opened the second meeting of the Union of Ibero-American Capital Cities, where he said that in the modern world the universality of human phenomena is becoming more and more evident.

SPAIN'S KING DISCUSSES FALKLANDS, SOLIDARITY

PY161710 Buenos Aires NOTICIAS ARGENTINAS in Spanish 0045 GMT 15 Apr 85

[Text] Buenos Aires, 15 Apr (NA) -- Spanish King Juan Carlos I tonight tacitly criticized British colonial rule in Gibraltar and the Malvinas Islands and urged the use of "peaceful means and negotiation to resolve the conflicts with which history has saddled us, including those which involve the exclusion of portions of our deeply beloved soil from our territorial integrity." Speaking at the banquet which President Alfonsin hosted in honor of the visiting Spanish royal couple at City Hall, King Juan Carlos emphasized "the Argentine right to claim jurisdiction over portions of its national territory, a claim which has to do with the very concept of national sovereignty."

Furthermore, when praising the "time-honored ties between our two countries," the king recalled that "in more recent and also sadder times the solidarity between our two nations became evident once again, when those who were fleeing persecution and fear found shelter in one country or the other." He also praised President Alfonsin's "enormous efforts" at the head of his administration, which he described as a "perfect balance of ethical and political values."

King Juan Carlos also pointed out the "extraordinarily dynamic" foreign policy of the Argentine Government, epitomized by "Argentine participation in the quest for solutions to the problems besieging this continent, its encouragement of integration processes, its tireless defense of inalienable individual rights, and new approaches to the disarmament issue." In this regard, King Juan Carlos stressed "the growing rapprochement to Europe" as one of the main achievements of the Argentine Government.

Addresses Congress

PY170025 Buenos Aires TELAM in Spanish 2012 GMT 16 Apr 85

[Text] Buenos Aires, 16 Apr (TELAM) -- In the nation's Congress, King Juan Carlos I today expressed his wish that the ideas of freedom, justice, and progress continue to inspire the work of the two houses that epitomize the will of the Argentine people, who are again on the march. King Juan Carlos spoke before a legislative session held in his honor in the hall of the Chamber of Deputies. In attendance were deputies, senators, members of the diplomatic corps, national personalities, and members of his royal delegation.

The king said that the Argentine and Spanish peoples shared a euphoria resulting from the recovery of popular sovereignty, enthusiasm for the reestablished democracy, and the unwavering national will of achieving a future of peace and prosperity for both our nations. The monarcy added that no universally valid model exists, but that basic principles which are the foundation of an authentic democracy do exist. These principles are the rule of law and the primacy of justice.

In another part of his speech, King Juan Carlos stated that the recovery of freedom by the Argentine people was a decisive landmark in the restoration of the democratic institutions throughout the hemisphere. The Spanish king pointed out that the rebirth of democracy in our countries took place in difficult times for our peoples. He then added that both Spain and Argentina have to face great problems in a world that has not yet overcome the economic crisis that emerged more than a decade ago, and that this situation is responsible for the impatience the people sometimes feel in view of the difficulties in finding solutions to the great problems inherent in any free nation. He warned that this impatience must not be turned into frustration and complicate the consolidation of the democratic way of life.

Juan Carlos then analyzed the role Argentina should play on the international stage. He also affirmed that the democratic normalization in Argentina has restored the prestiage it once had in the world, a prestige the Argentine people well deserve. He emphasized that Argentina has again deservedly become a protagonist in the international community.

The issue of the foreign debt was also addressed by the Spanish king, who said that it calls for imaginative and courageous solutions that should be lasting and authentic in order to be instrumental in modernization and development. Without development, King Juan Carlos stressed, peace is inconceivable, and without peace, development is also inconceivable for most of the world's people, particularly for those of this hemisphere.

Analyzing the entry of Spain into the EEC, Juan Carlos stated that in joining the rest of the European Continent, we are not cutting our links with this continent, which is united by the language of Cervantes, the same language of Martin Fierro [a famous poem written by the Argentine poet Jose Hernandez in 1872], as well as by the legacy of his and our ancestors.

Toward the end of his speech, the Spanish sovereign asserted that Latin America, whose Spanish lineage has an undeniable vitality, is not yet playing the decisive role it should in the international community. In closing, King Juan Carlos stated that as the specter of political oppression vanishes from this continent, the spirit of unity and the will of reassertion will be reborn.

VICE PRESIDENT VISITS BULGARIA 3-10 APRIL

For reportage on Vice President Victor Martinez' visit to Bulgaria from 3-10 April, including his meeting with Bulgarian state leader Todor Zhivkov and the joint communique issued at the conclusion of his visit, see the Bulgaria section of the 12 and 16 April issues of the Eastern Europe DAILY REPORT.

PUBLIC WORKS MINISTER OUTLINES OIL POLICY

PY101747 Buenos Aires BUENOS AIRES HERALD in English 10 Apr 85 p 1

[Text] NA-DYN -- Public Works and Services Minister Roque Carranza underscored last night that the government would hold the political strings on oil policies (through YPF) [Government Oil Deposits], but admitted "private (mostly foreign) capital will be needed to double current exploration" in order to find new reserves, which will likely include "risk contracts." Speaking over nationwide television and radio in the first official presentation to explain President Raul Alfonsin's oil policy announcements in the United States, Carranza said there might also be other types of service or work contracts, such as repairing wells.

He added, "The inclusion of a seismic option was reasonable...the fixing of prices for extracted oil for investors should be flexible depending on the risk involved...and payment in derivatives would be possible only in the case (Law 21.778) of production beyond our needs for self-sufficiency." The seismic option means the "contractor assumes the risk of the geophysical exploration," the minister explained, "but drilling wells will depend on identifying structures which justify such, instead of assuming obligations beforehand which turn out to be illogical." Carranza said that many national oil companies did not have the means to invest risk capital, so it was necessary to turn to foreign private capital, but "always preserving the national interest to assure self-sufficiency and export policies."

After pointing out the increased use of natural gas, hydroelectricity and nuclear power in the country's energy scheme, Carranza said it would be impossible to do without oil in the foreseeable future so "we cannot put off indefinitely" new explorations.

He mentioned that "just to partially compensate for oil extracted it was necessary to drill 587 wells between 1970 and 1974 and another 617 between 1980 and 1984."

Energy Secretary Conrado Storani, meanwhile, announced the government would call for bids to grant exploration areas to foreign oil companies in May, saying the country needs 1.2 billion dollars of investment per year to meet its aim to increase oil reserves for export.

Intransigent party leader Oscar Alende, in turn, rejected the government's oil policy saying it meant "sacrificing a fundamental and non-renewable natural resource to the altar of the foreign debt." Alende explained that according to the conditions of the announced policy, "results would be seen at best in four or five years...and if current production is doubled it would mean a three-billion-dollar gain via exports...but right now our foreign debt interest alone is six billion dollars yearly." So the government would be bringing in private foreign companies to intensify exploration and drilling "for the purpose of increasing exports to have more resources to better fulfill our foreign debt obligations," he emphasized, "instead of inviting genuine capital and technological investment the country needs which safeguard national interests."

MID DOCUMENT CRITICIZES GOVERNMENT POLICIES

PY160417 Buenos Aires DYN in Spanish 2051 GMT 14 Apr 85

[Text] Buenos Aires, 14 Apr (DYN) -- The highest ranking officials of the Integration and Development Movement (MID), Arturo Frondizi and Rogelio Frigerio, today stated that the "Armed Forces are isolated" and that "the wounds of the antisubversive war are still open." This was stated in a document in which the MID also affirms that "the country has again nearly reached the limit of its patience."

Under the title "In the Face of the Final Phase of the Crisis: an MID Political Proposal," the document analyzes the current situation, noting that "the government has lost control of the economic and financial situation, that inflation and recession dwarf all predictions, that the foreign debt problem is still pending, and that labor conflicts are widespread." It adds that "the social protest includes agricultural producers, cattlemen, teachers, professionals, and even court judges. There are concrete and serious signs of public violence and insecurity, the wounds of the antisubversive war are still open, and the country is isolated by an ideology-bound and incoherent foreign policy."

Commenting on the subject of human rights, Frondizi and Frigerio, the signers of the document, affirm that "the solution will only be found on the basis of preserving the institution of the Armed Forces, which are part of the nation."

After analyzing the economic situation, the MID leaders indicate that "in the political area, the government is increasingly becoming no more than a formal power, not only because of its inability to control the socioeconomic process, but because of its inescapable difficulties in managing the state security and defense apparatus. To this contribute not only the budget and equipment limitations but also the political climate. The Armed Forces have been driven into isolation by the government itself, which has separated them from the nation's social body."

In the economic area, the MID document believes that "the announcement on the oil policy was made unilaterally, because the decision was simply to export oil in order to pay the interest on the debt, rather than to resort to oil and gas exploration as a lever for industrialization."

It adds: "Furthermore, the economic measures that have been adopted in the wake of that announcement can be likened to erasing with one's elbows what has been written with one's hand, because those measures discourage production, including oil production." Frondizi and Frigerio note that "Argentina has 1.3 billion cubic meters of oil and gas reserves worth $200 billion, almost five times the amount of the foreign debt." They then indicate that "the issue is to mobilize all that wealth under a coherent plan in which the contracts can be useful instruments."

As for the foreign debt, the MID leaders affirm that the government "has unreservedly embraced the most recessionary economic and the most explosive social policy in the agreement reached with the IMF." The MID document advises that "avoiding collapse requires speaking clearly," and "the government and the progovernment party must realize that so far they have acted on false premises and must tell people frankly that both of them have been wrong." The MID document then says that "we do not hesitate to assert that we are in a state of anarchy, because the government has lost control over the state apparatus." It then affirms that "this evaluation of the present situation cannot be branded as destabilizing," because "destabilization is caused by the ignorance of concealment of reality, thus stymieing the country in its search for new horizons."

Signatories Accused of Plotting

PY170152 Buenos Aires BUENOS AIRES HERALD in English 16 Apr 85 p 11

[Text] (NA-DYN) -- Leaders from across the political spectrum joined voices yesterday in condemning recent statements by ex-Presidents Arturo Frondizi and Juan Carlos Ongania, while some also added Alvaro Alsogaray and Herminio Iglesias to their criticism. Radicals Guillermo Tello Rosas and Jesus Rodriguez, Peronists Carlos Menem and Oraldo Britos, and Intransigent Oscar Alende, Christian Democrat Augusto Conte, and Federalist Francisco Manrique all spoke out strongly against the recent statement signed by the Movement for Integration and Development (MID) leaders Frondizi and Rogelio Frigerio, and Ongania's statements in Trenque Lauquen.

Tello Rosas (Deputy-Capital) said Frondizi "doesn't know what's happened" in the country during the last 16 months and emphasized the need for a "new project, because the solution (to the country's problems) is not in what the Alsogarays or MID propose."

His Federal Capital lower house colleague, Rodriguez, reacted more strongly. Rodriguez linked Frondizi to Province Peronist party boss Iglesias and ex-President retired General-President Ongania, accusing them of "plotting against democracy." The UCR [Radical Civic Union] deputy asked rhetorically, "Why are these things being said today and not six months ago?" And answered by saying they are well thought and pre-planned responses of "certain sectors whose privileges are being affected."

Peronist La Rioja Governor Carlos Menem called Ongania a "coup-monger by antonomasia" but asked "not to confuse the Armed Forces with certain military individuals like Camps, Galtieri, and Ongania." Ongania had said that the Republic "is in danger because freedom is in danger, overrun by permissiveness and libertinism."

Rio Hondo Justicialist council leader Senator Oraldo Britos claimed the MID document was a "hard blow against the government and democracy. MID maintained that "we are already living in anarchy, the state apparatus has escaped from the government's control."

Alende, for his part, said "it is often better to keep quiet than to encourage the statements of coup plotters who lie in waiting, but now there is no time for rhetoric, especially when those winds come from a former constitutional president," adding it was "curious" that Frondizi and Ongania had made "such alarming" statements at this particular moment.

Manrique, in turn, said he was a "bit frightened about the bitterness in the streets," adding that the government should "take note of what is going on and proceed with caution but firmness" and not beat around the bush so much. But he also warned "we shouldn't let ourselves be led" by the prowling maneuvers of certain coupist-prone sectors.

In an "open letter to President Raul Alfonsin" Conte (Deputy-Capital) reiterated an earlier suggestion that the president push for a constitutional amendment reducing the presidential term to four years in office with the possibility of being reelected "to save democracy from coup-mongering scum." Conte said, "We have seen with sorrow a figure we would like to go on respecting, like that of ex-President Frondizi, has added his grain of sand to the coup intentions of a man like Ongania."

25 BLOC DEFEATS RADICALS, PERONISTS IN CGT VOTE

PY142300 Buenos Aires BUENOS AIRES HERALD in English 14 Apr 85 p 13

[Excerpt] (NA-DYN) -- The Committee of 25 wing of the Unitied CGT [General Confederation of Labor] scored a major victory over the 62 Organizations yesterday when its man, Juan Alejo Farias, easily defeated National Deputy Rogelio Papagno's list in the Construction Workers Union (UOCRA) elections.

Meanwhile, CGT sources reported the Confederation's Directive Council would meet next Friday for an "ideological debate" where centre-left 25 members headed by Roberto Digon could clash with centre-right CGT unionists led by Jorge Triaca.

Provisional results in the national UOCRA polls held between last Wednesday and Friday showed Farias' White List chalked up 14,759 votes while Papagno's Brown List ended a distant third with just 6,707.

The big surprise was the strong finish by the Blue List, a coalition of Peronists and Radicals headed by Roberto Cendoya, which polled 11,256 votes.

The White win means influential delegate votes for the 25 when the new CGT leadership is elected at a future congress. The results are also a big disappointment for 62 Organizations chief Lorenzo Miguel and Papagno, one of Miguel's closest allies.

Polling procedures were contested in various areas, in most cases by the Orange List (Movement Towards Socialism), but any legal ruling is not expected to alter the overall results.

Though UOCRA rolls showed 128,000 members were eligible to vote, just 40 percent turned out. According to White list spokesmen, a likely explanation is that the union is actually smaller but the rolls have not been completely updated since the last elections in 1975.

The White also won big in UOCRA's Federal Capital branch, polling at least 2,406 votes versus the Blue's 601 and Brown's 160.

BRIEFS

NEW JOINT STAFF OFFICIAL -- Buenos Aires, 12 Apr (TELAM) -- Joint Staff Chief Major General Teodoro Waldner today installed Rear Admiral Miguel Angel Grondona as the new deputy chief of the joint staff. [Excerpts] [Buenos Aires TELAM in Spanish 1552 GMT 12 Apr 85 PY]

REPORTS CONTINUE ON PRESIDENT NEVES' CONDITION

Hemodialysis Discontinued

PY170322 Rio de Janeiro Radio Globo in Portuguese 0238 GMT 17 Apr 85

[Report from the Sao Paulo Heart Institute by journalist Carlos Alberto -- live]

[Text] At this moment here at the Heart Institute, Assistant Press Secretary Pedro Luis Rodrigues is about to release information on the state of President Tancredo Neves' health. We want to recall that the president's condition remains very serious. Pedro Luis Rodrigues is already here in the auditorium, and he is about to release the report on the president. The situation here at the Heart Institute is currently very calm, and Rodrigues, is about to release more information:

[Rodrigues] The bulletin that has just been released at 2330 by the doctors who are caring for President Tancredo Neves indicates that his clinical situation is stable in relation to the report that was released this afternoon.

The hemodialysis performed on the president today was discontinued early this evening, because the blood analysis indicated a reduction in the creatinine level from 6.2 to 3, and a reduction in the urea level from 208 to 77. The X rays taken at the end of the afternoon indicate that interstitial infiltration continues and therefore the situation of the lungs has not changed. Up to early tonight, there had been no variation in his heartbeat. His pulse rate remains 110 per minute. President Tancredo Neves today was given hyperimmune gammaglobulin as well as transfer factors for the purpose of strengthening his blood immunology. The president continues to breathe with the help of a respirator, and the supply of oxygen is at the same level as for the past few days.

The president's overall condition continues to be very serious. Thank you.

Condition Stable

PY171140 Sao Paulo Radio Bandeirantes in Portuguese 0945 GMT 17 Apr 85

[Report from the Sao Paulo Heart Institute by Assistant Presidential Press Secretary Pedro Luis Rodrigues -- live]

[Text] The information released by the medical team which is taking care of President Tancredo Neves this morning indicates that the overall clinical picture remains stable.

During the predawn hours this morning, the ultrafiltration was resumed, aimed at withdrawing fluids from his body. His pulse rate remained stable, between 110 and 120 per minute. The president continues to breathe with the help of a respirator which is supplying 80 percent of his oxygen.

There have been certain alterations in the president's blood pressure which is being controlled through medication.

This morning the president will undergo the usual battery of tests, and the results will provide more detailed information which will be released later. Thank you.

19 APRIL CABINET MEETING TO ADOPT NEW DIRECTIVES

PY170227 Sao Paulo FOLHA DE SAO PAULO in Portuguese 16 Apr 85 p 10

[Excerpts] At the meeting initially scheduled to evaluate the accomplishments during the first month of the new Republic on Friday, 19 April, Acting President Jose Sarney will try to define the definitive directives of his government and to launch the coordination process of the new political pact that will support him. This information, which was supplied by an important minister, has been corroborated by the leaderships of the Brazilian Democratic Mobilization Party [PMDB] and the Liberal Front Party [PFL] using the argument that it most likely will be up to Jose Sarney to complete the presidential mandate of Tancredo Neves.

Jose Sarney has discreetly broached the subject of the new political arrangements that will be sponsored by the executive branch in meetings with the ministers. In fact, Sarney is insisting on maintaining the attitude of prudence he has so far adopted in the face of Tancredo Neves' sickness, until events confirm him as the definitive incumbent of the presidential seat. However, the acting president is wasting no opportunity to broaden his congressional base of support and, in the past few days, he has won the enthusiastic sympathy of sectors of the PMDB, even of leftist sectors of this party.

Sarney is not considering any changes in the cabinet appointed by Tancredo Neves, at least during the next 6 months. If he can, he plans to postpone any changes until the second half of next year, when several ministers will give up their positions to run in the November congressional elections. The truth is, however, that the acting president is already being subjected to pressures, although discreetly, from groups in the PMDB and the PFL already entangled in disputes for larger shares of power.

Pires: Cabinet To Resign

PY161548 Rio de Janeiro Radio Globo in Portuguese 1510 GMT 16 Apr 85

[Report from Brasilia by Joao Bita]

[Text] Social Security Minister Waldir Pires has stated here in Brasilia that all ministers appointed by Tancredo Neves, that is, the present cabinet members, will submit their resignations to President Jose Sarney. Pires believes that if Neves is definitely unable to take office, Sarney will be able to consolidate his position if he honors the Democratic Alliance's commitments to promote individual liberties.

COMMANDERS DENY ARMY ON STATE OF ALERT

Country Calm

PY170104 Porto Alegre Radio Guaiba in Portuguese 2150 GMT 16 Apr 85

[Text] Goiania -- Speaking in the Goiania capital today, Planalto military commander General Mario Ribeiro Sampaio denied that the Army is on a state of alert because of the worsening of President Tancredo Neves' condition. The general explained that the troops have only been forewarned in case of any disturbance of public order. General Sampaio made these remarks after installing the new commander of the Goiania 3d Armored Infantry Brigade. He said that the entire country remains calm and that tranquillity prevails in the area under his jurisdiction.

Constitution To Remain in Force

PY170130 Porto Alegre Radio Guaiba in Portuguese 2150 GMT 16 Apr 85

[Text] Porto Alegre -- Major General (Raymundo Maximiano Negrao), the new commander of the 3d Military Region, has commented on the situation prevailing in our country. The general said that the military is no longer engaged in politics, that the Army is part of Brazil, that the military is part of the people, and that it, too, is suffering the drama experienced by the relatives of Tancredo Neves and by the Brazilian people. He gave assurances that the 3d Army has not been declared on a state of alert because of Tancredo Neves' condition. He added that the Constitution will remain in force even if Tancredo Neves cannot assume the presidency. General (Negrao) replaces General (Globis Borges de Azambuja) as 3d Army commander.

Further Statement

PY122252 Brasilia Domestic Service in Portuguese 2200 GMT 12 Apr 85

[Text] In Rio de Janeiro, 1st Army Commander General (Heraldo Cartaxo Alves) has stated that to guarantee respect for the Constitution is a matter of honor for the military. During the installation ceremony for the new commander of the 1st Military Region, Major General (Bercelio Figueiredo Brates), Gen (Cartaxo Alves) stated that he and all Brazilians who have placed their hopes in President Tancredo Neves are moved by his condition.

DORNELLES NAMED COORDINATOR OF DEBT NEGOTIATIONS

PY111425 Sao Paulo Radio Bandeirantes Network in Portuguese 0330 GMT 11 Apr 85

[Text] President Jose Sarney has appointed Finance Minister Francisco Dornelles as coordinator of the foreign debt renegotiation process. A presidential decree establishes that Dornelles is responsible for conducting negotiations with the IMF, the banking advisory committee, or with the official agencies of the creditor countries. The finance minister's advisers interpret this move as an assertion of Dornelles' position regarding the foreign debt renegotiation.

Meanwhile, the IMF has authorized its four experts who are in Brazil to remain here until the middle of next week. One of the main concerns of this mission is to (?establish) Brazil's real capability in attaining a considerable trade balance surplus for the end of the year in order to be able to meet our foreign commitments.

BRIEFS

ARMORED TRUCKS TO INDIA -- Santos -- Three Brazilian-made military vehicles were shipped to India on 9 April for a trial period, at the end of which the Indian Armed forces will decide whether or not to buy them. The shipment, which was made through the port of Santos, included two armored trucks, a Cascavel, and a Urutu, which are manufactured by Specialized Engineers Inc., and a support vehicle. [Text] [Rio de Janeiro O GLOBO in Portuguese 10 Apr 85 p 16 PY]

TRADE BALANCE REPORT -- The Brazilian trade balance reached a surplus of $1,910 billion during the first 3 months of this year, according to preliminary estimates from the Foreign Trade Department. This sum is 19.75 percent less than the surplus registered during the same period of last year. [Text] [Sao Paulo Radio Bandeirantes Network in Portuguese 0330 GMT 11 Apr 85 PY]

GENERAL MATTHEI LEAVES FOR LIMA CONFERENCE

PY161415 Santiago Domestic Service in Spanish 1100 GMT 16 Apr 85

[Text] The commander of the Chilean Air Force, General Fernando Matthei, has left for Lima, Peru, to attend the 25th conference of Air Force commanders of the Americas. General Matthei was accompanied by General Ramon Vega, chief of operations of the Air Force. General Matthei will be absent until 26 April. During this time General (Carlos Vestro Cardenas) will be acting Air Force commander, and he will also take over Matthei's legislative functions.

PROSECUTOR REJECTS PETITION TO EXTRADITE BUESO

PY130102 Paris AFP in Spanish 1729 GMT 12 Apr 85

[Text] Santiago, 12 Apr (AFP) -- Court sources today reported that the prosecutor of the Chilean Supreme Court of Justice has recommended rejection of the petition filed by the U.S. Government to extradite Honduran General Jose Alvenego Bueso Rosa. Bueso was arrested and held under preventive custody in Santiago on 2 November, charged with having participated in a conspiracy to kill Honduran President Roberto Suazo.

According to the reports of FBI agents who infiltrated the group, the meetings to plan the conspiracy were held in the United States. In addition, the people involved planned to introduce $10.3 million worth of cocaine into the United States.

At the time of his detention, Gen Bueso was about to travel to the United States from Santiago, where he served as military attache to the Honduran Embassy.

Endorsing his decision against turning Bueso over to the U.S. courts, Supreme Court of Justice Prosecutor Rene Pica stated that the charges are not punishable under Chilean law. Pica's report will be reviewed by the president of the Supreme Court of Justice, Rafael Retamal, who will approve or reject the extradition request as a lower court judge. The judge's ruling may be appealed and a panel of three justices of the Supreme Court will hand down a final ruling, possibly in May.

NINE UNION LEADERS BANISHED FOR 'SUBVERSION'

PY112102 Paris AFP in Spanish 1650 GMT 11 Apr 85

[Text] Santiago, 11 Apr (AFP) -- Union organizations today reported that nine Chilean union leaders have been banished to distant towns, accused of subversion against the military government of President Augusto Pinochet. Six of them are leaders of the construction workers and San Antonio port workers who were detained on 26 March while participating in a meeting to discuss the problems of victims of the recent earthquake that destroyed that city. The other people who have been banished are the president and two leaders of the Unitary Popular Action Movement, which groups the Mapuche peasants and craftsmen. Released without being charged in a trial for alleged possession of weapons in January, the three were detained again in March in Temuco, in southern Chile, to be sent to a banishment site chosen by the authorities. They will be held in those places, in the desert at the foot of the Andean Mountains in the northern part of the country, for 3 months, in accordance with the powers bestowed upon the president under the state of danger of disturbance of interval peace currently in effect in Chile. During their banishment, they must present themselves once or twice a day to the police.

POLICE, MILITARY THWART GUERRILLA ATTACK ON TORIBIO

PA142315 Bogota Cadena Radial Super in Spanish 1730 GMT 14 Apr 85

[Text] Popayan -- Remnants of guerrilla groups have tried to stage a raid on Toribio, but they were repelled by the police. It has been learned that one guerrilla was killed during the clash between the rebels and the police and that the rest of the rebels fled to the mountains.

During the action to repel the guerrillas, an undetermined amount of rifles, supplies, field equipment, drugs, and subversive propaganda were seized.

A special meeting of the Security Council is expected in the next few hours to discuss the critical public order situation in Cauca and Valle del Cauca Departments.

Military Reinforced

PA151547 Bogota Emisoras CARACOL Network in Spanish 1215 GMT 15 Apr 85

[Text] Corinto -- Military operations continued throughout last night in the northern part of Cauca Department and will be reinforced within the next few hours. A large operation was launched to control the guerrrillas who tried to seize the town of Toribio yesterday, killing 5 soldiers and wounding 10 soldiers.

Investigations continue today to identify the 10 guerrillas killed during the clash. The toll stands at 15 dead and 17 wounded.

Rocket launchers, grenades, guns, and pistols were used during the clash. Corporal Jairo Alonso Garcia and soldiers Hubert de Mendez Lozano, Jose Santos Jimenez, Ricardo Arango Porras, and Ricardo Arias Cano were killed. The following were wounded and evacuated to Santander de Quilichao and Popayan: 2d Lieutenant William Chinchilla Nieto, Toribio post commander; soldiers Mosquero Morelo Olaya, Hernan de Rivera, Meza Castaneda, Morales Zapata, Cardona Peralta, Tito Solarce, Arce Rivera, Hector Meza Castano, and Luis Fernando Cardona Vallejo.

Defense Minister Comments

PA162155 Bogota Cadena Radial Super in Spanish 1730 GMT 15 Apr 85

[Report by Favio Callejas Ramirez]

[Text] Colombian Defense Minister General Miguel Vega Uribe said at the end of the Security Council's ordinary meeting held at the government ministry today that the Army and the National Police will jointly curb subversive actions. The defense minister made the following statement:

[Begin recording] [Vega] [Words indistinct] yesterday's subversive attack on the town of Toribio. At this moment, the operations are continuing to (?make) contact with the bandits who stormed Toribio and killed the policemen you know about.

[Callejas] Is the number of victims mentioned by the press, that is, in EL TIEMPO, accurate?

[Vega] The victims of [words indistinct] or slain or wounded officers?

[Callejas] The article mentioned that 20 persons had been killed and an equal number had been wounded during the recent clashes in Cauca and Valle del Cauca Departments.

[Vega] Yes, it was reported yesterday that five persons had been killed in the town of Toribio. The bodies of four or five bandits who attacked the post yesterday were found outside the garrison. Moreover, five subversive elements were killed near [words indistinct] as they were fleeing.

[Callejas] Gen Vega, does this mean that the truce has completely broken down?

[Vega] I do not know if the truce has ended. All I can say is that the subversives are staging attacks in military zones and we will respond to them in kind.

[Callejas] It would seem as if the measures which the government has adopted have not proven effective to [word indistinct] since violent acts continue in the form of murders and attacks. Can you state what other measures you are going to adopt to provide safety for Colombians?

[Vega] We are doing our best. As you know, it is very easy to point-blank [words indistinct] kill two or three policemen, whereas it is harder to catch the criminal. However, I hope we will be able to find the murderers soon.

[Reporter] The commission studying [words indistinct] the Cauca Department, the situation seems deteriorating.

[Vega] Cauca Department is a rather vast area, and there are many subversive fronts there. Thus, measures will not have an immediate impact until we manage to control those fronts.

[Reporter] Afterward, it was mentioned that...

[Vega, interrupting] Yes, we have increased and will continue to increase the number of troops in Cauca Department.

[Callejas] Wouldn't the higher number of dissident elements within the subversive forces cause the government's peace project to fail?

[Vega] That is a good question. Ask that of the subversive leaders and see how they answer.

[Callejas] What would you reply if I were to press you for an answer? Is this guerrilla warfare?

[Vega] This is a subversive struggle against the Armed Forces, against the civilian population, and against the government institutions. [end recording]

PRÉSIDENT FEBRES CORDERO RETURNS TO QUITO

PA162252 Paris AFP in Spanish 2154 GMT 16 Apr 85

[Text] Quito, 16 Apr (AFP) -- Ecuadoran President Leon Febres Cordero returned to his country this afternoon after a 10-day absence. The Ecuadoran head of state arrived in Quito at 1632 (2132 GMT).

This was the president's second trip abroad since he assumed office. In the course of the trip he met with the presidents of Venezuela, Mexico, and Cuba, and with the U.S. secretary of state.

ACTING CONGRESS PRESIDENT ON 'POLITICAL CRISIS'

PA162008 Quito Voz de los Andes in Spanish 1130 GMT 15 Apr 85

[Text] The acting president of Congress, Carlos Feraud, has told the press that the solution to the country's political crisis must stem from recognizing the mutual respect which must prevail among the various state branches and on the need to establish permanent communications among them to facilitate the adoption of decisions which will benefit the vast majority. Carlos Feraud was evaluating Ecuador's political situation in the light of the statements made by Ecuadoran President Leon Febres Cordero during his visit to the United States which may have opened the possibility of negotiations between the executive and legislative branches.

Feraud expressed skepticism when asked if the president's statements could be the beginning of an era of good relations among the various state branches. Feraud advised that such confrontations will continue in the country -- alternating with moments of crisis and of tranquillity -- since this is an ideological clash between the administration and the opposition.

He dismissed, however, that the opposition has any plans to overthrow President Febres Cordero, stating that in spite of all these problems, democracy will not be affected. He pointed out that Congress has not interpellated any member of the cabinet in spite of the specific requests which have been made, because there is no desire to worsen the confrontation with the executive branch.

ROLDOCIST PARTY ALTERNATE DEPUTY MURDERED

PA140121 Quito Voz de los Andes in Spanish 1130 GMT 11 Apr 85

[Excerpt] Violence continues to spread in Guayaquil. German Zambrano Santana, an alternate deputy for the Ecuadoran Roldocist Party, was shot in the face and killed yesterday. His body showed signs of torture, and his hands and feet had been burned. Zambrano Santana was an assistant to Guayaquil City Mayor Abdala Bucaram.

During a press conference Bucaram accused a lawyer, Jaime Toral Zalamea, of the kidnapping and death of German Zambrano Santana. Bucaram added that Toral Zalamea kept Zambrano Santana hidden in the vicinity of (Las Maravillas) in southern Guayaquil and and later took him to the highway near the coast, where he burned him. After a TV-style shoot-out Toral Zalamea escaped the combined dragnet of the National Police and the Armed Forces.

CABINET RESIGNS; BELAUNDE RETAINS MINISTERS

PY161358 Lima Televisora Lima in Spanish 0400 GMT 16 Apr 85

[Text] Here is a last-minute report: Prime Minister and Foreign Minister Luis Percovich Roca and all the members of his cabinet submitted their resignations to the president of the Republic, architect Fernando Belaunde Terry, on the night of 15 April. This ministerial crisis, which took place less than 24 hours after general elections were held on 14 April, was overcome after the head of state confirmed the entire cabinet in their current posts.

According to the ANDINA News Agency, Percovich gathered his cabinet in the prime minister's office on the night of 15 April at 2000 and conveyed to it his decision to resign.

In his letter of resignation, Percovich said that the results of the municipal, supplementary, and general elections causes him to leave it to the head of state to designate those who will be in a position to more ably carry out the task of transferring power.

APRA REPORTEDLY TO GET OVER 50 PERCENT OF VOTE

PY161920 Lima Radio del Pacifico in Spanish 1300 GMT 16 Apr 85

[Excerpt] An atmosphere of extraordinary excitement prevailed last night at the American Revolutionary Popular Alliance [APRA] computer center in San Isidro, Lima. According to reliable sources, up to the early morning hours of 16 April, APRA had 49.61 percent of the votes in the official count. However, vote count experts predicted a probable maximum count of 50.2 percent, although this figure is subject to correction.

ELECTORAL OFFICIAL ON GARCIA-BARRANTES RUNOFF

PY161925 Lima Radio del Pacifico in Spanish 1300 GMT 16 Apr 85

[Text] Departmental Electoral Court President Dr Francisco Ayala Noriega has announced that a runoff election will be held between Dr Alan Garcia Perez and Dr Alfonso Barrantes Lingan. This runoff election is scheduled for June.

Ayala Noriega announced that in case Barrantes declines, Alan Garcia would have to run against Dr Luis Bedoya Reyes, who came third in the 14 April elections.

Ayala Noriega has revealed that the forecasts indicate that Alan Garcia will get 47 percent of the vote and, according to Article 203 of the Constitution, 50 percent of the vote plus 1 is required to become the president of the Republic. The president must be elected through the direct suffrage system and must get 50 percent of the validly cast ballots plus 1. Article 203 further states that if no candidate obtains an absolute majority, a runoff election will be held within 30 days following the general elections between the two candidates who have obtained the largest number of votes.

Therefore, Dr Alfonso Barrantes Lingan will face Dr Alan Garcia Perez in a runoff election, Ayala Noriega stressed.

Barrantes Agrees to Runoff

PY162109 Lima Radio del Pacifico in Spanish 1300 GMT 16 Apr 85

[Text] Alfonso Barrantes Lingan has said the United Left [IU] is willing to run against the opposition candidate in a runoff election as a way to review the two parties' platforms and the state of the country. Barrantes Lingan made this statement in a speech he delivered to the electorate before leaving for Mexico. He also expressed his appreciation for the support the IU received in the preelectoral and electoral process in the interior of the country through impromptu rallies in which no money at all was spent.

Meanwhile, first councilman [primer regidor] [name indistinct] has reported that Barrantes has left for Mexico to attend a world meeting of mayors. Lima's mayoralty is a member of that organization. Barrantes is due back next week, according to the councilman.

After reiterating the IU's political guidelines, which are meant to benefit the people and are noted for their anti-imperialist stand, Barrantes stated that the electoral results proved that the country wants to modify the social order, and that the IU concurs on this issue with the APRA. Barrantes stated that, in order to overcome the crisis the country is currently experiencing, it is urgently necessary to take interest groups into account, because otherwise there will be no chance of making any changes. Barrantes also denied in his speech that the IU suffered a setback in the 14 April elections, because the validity of the blank and invalid votes made the expected difference.

GARCIA COMMENTS ON ELECTIONS, RELATIONS WITH U.S.

PY170132 Madrid EFE in Spanish 2208 GMT 16 Apr 85

[Text] Lima, 16 Apr (EFE) — Alan Garcia, the virtual winner of the elections held in Peru on 14 April, today proposed a Latin American pact aimed at achieving the region's disarmament. He also proposed a nonagression pact so that all resources can be used for development. The leader of the social democratic APRA also expressed his Third World and nonaligned orientation, and he asked Latin American countries to negotiate their foreign debts as a group.

Garcia today met in a downtown Lima hotel with the foreign correspondents who are in Lima covering the 14 April elections, which the APRA has virtually won. He stated that the elections did not presuppose the victory of one man or of one party, but that they were a victory for the consolidation of the country's democracy.

He stressed the need of maintaining the integration process of the Andean Pact, which is made up of Bolivia, Ecuador, Peru, Venezuela, and Colombia, because he considers it a fundamental instrument. He said that integration is a need for Latin America as a whole, because this will enable it to enter the world scene, and that the area's governments have delayed this matter too long. Garcia stressed that the joint negotiation of the foreign debt by the Andean nations is one way to revitalize the Andean Pact.

Regarding relations with the United States, Garcia said that an APRA government envisages a direct and clear dialogue with Washington. But, he said the U.S. Administration must be made to understand that the Soviets have not always been behind Latin America's social demands, and he criticized the fact that the United States considers Latin America as though it were Central America.

We South Americans have been left to one side and the voice of our peoples must be heard, he said, rejecting the bilateral dealings of the United States. He also condemned the recent U.S. trade law, which blocks the payment of the region's foreign debt.

Garcia also said that the difficult situation that is being experienced by Latin America will teach us to unite. He rendered homage to Brazilian President-elect Tancredo Neves, who he visited just before he was supposed to have been installed as president. Garcia said that at that time it could be noted that his health was bad.

The APRA leader stated that the democratization of Uruguay, Brazil, and Argentina -- and the desired democratization of Chile -- were in response to two urgent needs: integration and the arms race, which consumes large amounts of resources. This democratic consolidation will bring down military expenditures and a larger amount of these resources will be used for development.

He expressed his support for putting an end to the Latin American rivalry in the purchase of arms, but regarding military regimes, he said, it must be the people themselves who solve those problems.

Regarding the terrorism that is affecting Peru, Garcia said that he did not have all the information at hand that a government has, but he said that the law would be applied. He stated that APRA's electoral victory in Ayacucho is a demonstration that the messianic violence of the Shining Path Maoists has been rejected. He stated that they direct their violence against the poor, whether they are campesinos or small businessmen.

He added that the country's agricultural sector must be revitalized so that imports can be replaced, stressing that this is a top priority. Regarding alleged human rights violations, Garcia said that the law will be applied to those who commit excesses.

He indicated his support for a treaty with Ecuador on the emplacement of the border-markers that still have to be emplaced between the two countries in the Condor Ridge area to thus comply with the 1942 Rio de Janeiro Treaty, which established the border between the two countries.

He also believes that the creation of a Socialist International (SI) for Latin America is opportune, and criticized the fact that many SI countries do not support Argentina in its claim to the Malvinas Islands. He said that the APRA is only a consultative party within the SI and that it hopes to become a full member. Garcia also referred to the Spanish Socialist Workers Party (PSOE), expressing his great respect and admiration for Felipe Gonzalez, the head of the Spanish Government.

BELAUNDE INTERVIEWED ON ELECTIONS, TERRORISM

PA162309 Caracas Television Service in Spanish 0000 GMT 16 Apr 85

["Exclusive" interview with President Fernando Belaunde Terry by Walter Martinez at the Government Palace in Lima; date not given -- recorded]

[Excerpt] [Martinez] What is the real terrorist situation in Peru?
[Belaunde] As you know, this is something that I have brought up before the United Nations. There is a new modality of war, and that is terrorism -- terrorist infiltration with a view to eventually creating a beachhead for greater hostilities. This is not our war. It is a foreign war. It is a war of the superpowers and ideologies.

What I describe as the ideological transnationals are in action here. Since they are not accepted by reason, they want to impose themselves by force and terror. Fortunately, we are in control of the situation, which only affects part of the country, a part of the country I love very much, since Ayacucho is the place where the Bolivarian forces obtained freedom from Latin America. Therefore, I am very much interested in working there, and soon I will be dedicating the diversion of the Huaytara River course in Los Libertadores for the electrification of Ayacucho in order to link it with the national network. I hope that through these works, we will be able to create an atmosphere suitable for fully reestablishing normalcy in that area.

[Martinez] Would you say the situation will soon be under full control?
[Belaunde] Yes, the Army is there, the Armed Forces are there, and they have been able to guarantee peace for the population. From time to time, there are still some sporadic actions, murders, and attacks, but there are no clashes with a front. The leaders are never seen. The leaders are hidden. We do not know if they are in Peru, or abroad. The truth is that they exploit the women; over and over they force women and degrade children.

[Martinez] Is there any connection with drug trafficking?
[Belaunde] Definitely, yes, and this has been fully proven. Recently, two sergeants who were arrested in the United States were involved in trafficking arms that were destined for South America for the drug traffickers.

[Martinez] Mr President, there are some interesting characteristics about the elections in Peru. Right now, there are 13 registered candidates.
[Belaunde] Well, I hope this will result in a national debate. That is the virtue of democracy. These actions are no longer for achieving freedom but merely to find solutions. Therefore, I hope there will be a fruitful debate on the national problems and their solutions. I am not concerned about the widespread results, because the Constitution provides for a second round of voting. These are 13 candidates in the first round, but there will only be 2 candidates in the second round. The voters will have to decide on one of the two candidates in order to create a fully national government to follow my administration. My mission will be completed on 28 July, and I will leave this palace to he who is appointed by the people.

[Martinez] Do you believe there will be a second round of voting?
[Belaunde] Yes, I think so. One of the reasons is that there are 13 political groups, some of which are not very important. It seem difficult to achieve a majority in the first round of voting.

[Martinez] Mr President, in the past 80 years in Peru, there has not been a single constitutional president who has been able to turn power over to another constitutional president, because something has always come up at the last moment. What do you have to say to that now?
[Belaunde] Well, it is not really that way. There have been some cases. For example, in 1945, there was a normal transition of power from the outgoing president to President Bustamante, who was elected. That was 40 years ago. However, it is true that it has not been the usual practice for an outgoing constitutional president to turn power over to a legally elected government. I hope that with the help of all Peruvians and the help of God, above all, I will be able to fulfill this great mission: to be able to go to Congress on 28 July and turn power over to my legitimate successor.

[Martinez] Do you think there will be a change of attitude on Central America and perhaps, more direct action, beyond the diplomatic channels?
[Belaunde] Now, concerning Central America, I think there are only two paths to follow: the Contadora solution, for the immediate purposes; and later, the development of Central America.

SANGUINETTI OUTLINES ECONOMIC SITUATION

PY120442 Montevideo Domestic Service in Spanish 2300 GMT 11 Apr 85

[Speech by President Julio Maria Sanguinetti on 11 April -- place not given -- presumably recorded]

[Text] Citizens, Friends: With the democratic government's first month in office, the entire country agrees that it has recovered its traditional climate of liberties. There are no outlawed political parties, no silenced voices, no restrictions on individual or union liberties. We have been trying to repair as much as possible the arbitrary actions imposed by the de facto regime. All this reflects the painful situation we are trying to overcome in an orderly manner.

The extremists and the chaosmongers yesterday were betting that the return to democracy would lead the country to chaos. But despite the existence of abuses we do not deny and of some uncontrollable impatience, the country is at peace. Moreover, Uruguay has quickly regained its traditional international prestige. We Uruguayans can say that the world looks upon us with respect and admiration because of the peaceful, serene, and democratic manner in which we carried out the political transition from the de facto regime to the constitutional government. This is very important, and I would like to stress it because if there is anything at all we have learned from the dictatorship, it is the need to keep in check institutional freedom by implementing the laws firmly and equitably.

In my speech today, however, I would like to focus on the economic situation, which is our main concern. No one can deny that we are facing a critical situation. I was very clear about this before the elections, and I would like to remind the whole nation of this fact again. I was very realistic in my assessment and I made very few promises, because I was aware of the economic recession the democratic regime would inherit. We have referred to this many time.

I have spent this past month making an initial balance of the situation, and we can say that things are worse than at any previous assessment. But the best thing, then, is to face the real truth, learn from it, and adopt the appropriate measures.

First of all, we are facing a decline in national production. During the past 5 years, the country has experienced a 15-percent decline in production. This would be tragic for any economy. But there are other things that are even worse. The country's overall income has decreased, because the international situation shows a decrease in prices of what we are selling and an increase in prices of those products we are purchasing.

The decrease in income is even worse. It has dropped 22 percent in the past 3 years. Let us imagine a family like ours under this situation. These numbers would show us that today we would have 22 percent less in real terms than we earned 3 years ago. This is what has impoverished the enterprises and the workers.

I must add that this reduced income has been distributed unequally, with an increase in state expenditures, bad investments, and investments in unproductive expenditures. And this is not all, because the fact is that in the name of a liberal or nonliberal policy, the heads of state have reduced private consumption and increased state expenditures. This shows the extent to which we have followed not only a suicidal policy, but also a policy in which the objectives did not coincide with the adopted measures.

All this has led, in addition to the general impoverishment, to a colossal deficit within the state. The year 1982 was marked by the worst deficit in Uruguayan history. That year Uruguay had a deficit totaling 18 percent of the total gross domestic product. In 1984, it dropped to approximately 10 percent of the country's overall product.

Please forgive me for stressing these figures, but this is the only way to show the magnitude of the problem. For instance, 54 percent of last year's deficit, that of 1984, which we are still experiencing today, was caused by state expenditures; that is, there was a difference of 54 percent between what we receive and what we spent.

This tremendous deficit was not tackled with sound resources, but was financed mainly with foreign loans. And what is the situation now? An unbalanced budget on the one hand, and the unusual burden of the debt on the other.

Since 1973, when our foreign debt was $720 million, our debt has today increased to $4.6 billion. This will force us to pay, as has been said many times before, absolutely impossible amounts this year. To show you to what extent this situation is smothering us, let us take one case, that of the State Power and Telephone Plants [UTE]. This year the UTE has to pay $162 million for debts contracted for the El Palmar project. Yet, its overall income does not amount to $162 million. If UTE wanted to pay that debt, all of its revenues and income would not be enough, even if it held up salaries and stopped paying for petroleum, material, the Salto Grande electricity, and so forth. This is not a good example, but a typical one. We are looking for a better financial formula abroad to achieve a short-term financing plan that will actually allow us to prevent paralysis. This is only one case, but this is happening in all sectors of the administration.

The subject of the overall foreign debt also leads us to the internal debt; debts contracted by industry, agriculture, tourism, and commerce. All these sectors are overburdened with debts. All parties have agreed that it is impossible to achieve a general refinancing, that we must be selective. There is no other alternative than to establish priorities, and within these priorities to refinance the debts of those businessmen who are in a position of continuing without falling into a new crisis or a stoppage.

Of course, it would be much better if I told you that we are going to generously refinance all debts. But as I said before the elections, this would be irresponsible, because it is impossible. And if we decide to do things in an easier way, converting all debts from dollars to pesos, we would launch the country into the worst inflation in Uruguayan history, and we would cause irreparable damage to workers and retired personnel. In other words, we would be jeopardizing the country's social stability.

As is known, the implementation of projects has been suspended until 15 May and new refinancing plans will be announced before that date. But it is good to know right now that these plans will be in effect until prudence advises otherwise, and the debtor's behavior will be taken into account, given the sacrifice he has made to improve his situation. This means that a selective mechanism exists.

We are very well aware of the fact that the debt problem places restrictions on the economic reactivation we long for. For this reason, the directors of the Central Bank and the Bank of the Republic, once it is approved by the Senate, will be able to make decisions on this debt problem that is affecting the national life and that must be treated within those plans.

Perhaps the country today needs more than ever the efforts of all its producers. Reactivation requires more production. There will be no increase in salaries without more production. This is very clear, and I would like to emphasize this: No one must think that a nominal increase in salaries can lead to real increases, although they may be above the respective rate of inflation.

I insist: The experience of neighboring countries has clearly taught us that it is not so, and that galloping inflation devours salaries, and that in addition to not improving the real salary, it leads the country to profound instability.

On saying that we need our producers more than ever before, we are basing our belief on what we said before, because the state has increased its expenditures proportionally. This increase in state expenditures has provoked unprecedented results. Although we have historically defended the state, we now have to say that we must restore the balance in expenditures. Therefore, our advice is to reduce state expenditires as much as possible and to encourage private production. Why? Because the country has no other strategy to increase production and must promote this production through exports. This is the only way. It will be difficult, but we have to do it.

We have offered the state employees a salary hike that we know very well to be insufficient, but it is all we can offer. We do not want to offer what we cannot pay. Very shortly we will announce the adjustment rates for retirees. We know that these rates are equally inadequate, but this is all we can give them without immediately depriving them of more than what we give through inflation. In this case, as we have already announced, we will do our best to improve the situation of the needier people by giving higher percentages to the lower pensions.

Our public commitment was to spare the most neglected sectors and this is the reason for this kind of pension increase and for the emergency social program that we will implement very shortly. We must deal with the most critical anxieties and the basic subsistence-level needs.

The objective of this plan is to provide temporary state support to curb the deterioration in the situation of these sectors, especially as far as nutrition and care of the weakest goes, that is, children and the aged. We would like to launch more far-reaching social plans, and you can rest assured that we will try to provide as much financing as possible.

But to do this, we must urgently achieve a few things. First, we must bring order to our public finances; we must balance our budget by increasing some taxes and by reducing some expenditures. We must refinance our foreign debt, which will be difficult. We cannot continue to increase our deficit and therefore, we must establish utility rates which, although tough -- any rate increase is always unwelcome -- will be instrumental in preventing further increases in the deficit, which is getting out of hand.

We also need a balanced wage policy and great understanding by both workers and businessmen. Businessmen should cooperate by making every effort to attend to the needs of their workers, by producing more, by seeking more markets, and by respecting the workers' individual and union rights. The workers should understand that they cannot abuse the right to strike because a paralysis will be more damaging to the country than to the business sector since it suspends services and production, without which we can never have an improvement in real salaries. I want to repeat this: No matter how much the increases we decree, real salaries will decrease again in the short term if production is not increased. Everything else is a false illusion, a lie.

In sum, and this is paramount, we must reactivate our economy. We are implenenting an austere, although not recessive, policy. This means to try to produce more, especially in such export activities as agriculture, industries, and tourism.

The farmers will have a realistic rate of exchange, they will have stable policies. The industrialists also will have a realistic exchange rate. There will be financing for exports. The tourist promoter will receive support in this endeavor.

Naturally, we have urgent obligations due. They are here. If we manage to produce more, this will mean success. We know this and we trust in the willpower, judiciousness, and capacity of the Uruguayan people.

The government cannot perform miracles. The government cannot create wealth. The government merely administers the resources produced in the country and collects taxes from private sectors, redistributing them through services, salaries, and pensions. We will try to redistribute these revenues as equitably as possible and to make the government as efficient as possible.

Yet the entire nation, all its children, no matter where they are, must engage in this effort. A country is like a family: If faced with a crisis, if it has a reduced income and excessive debts, a family has no alternative but to try to increase its income by producing more. And this requires sacrifice. The son who is studying, for instance, will have to work during the day and study at night. We all know this because we have experienced it in our families. The same thing happens to nations. I would say this is quite clear and (?evident), although it is also quite difficult.

There will, of course, be those who, based on a simplistic view, will say that the IMF is imposing a strict policy on us. Here we must try to reduce our deficit, no matter what the IMF thinks. And no matter what the IMF thinks, we cannot grant increases without financial backing. We are simply going to start talking with the IMF. This is our own decision, and by so doing we are appealing to judiciousness. Deficits are neither leftist nor rightist, neither imperialist nor anti-imperialist. They are merely deficits. If they are not financed, they become more expensive and fuel inflation. It is necessary to face the situation with a cool mind, accepting that it is serious and that no one will be spared some sacrifice, beginning with the state itself.

Citizens, friends, I would have liked to have given you better news, but your president's first duty is to be frank. It is necessary to know the disease affecting the organization in order to begin the correct treatment as soon as possible. To avoid this because we do not like the diagnosis is wrong and much more risky. This is the time to make an effort to produce more, work harder, put the country in order, and eliminate injustice. Only in this way shall we defend democracy.

Political intolerance and social disturbances jeopardize the economy and weaken democracy, harming workers in particular. And we are concerned over the situation of the workers; we are working and we shall work for them, assuming this heavy and painful responsibility with strong determination. We cannot shrink from this responsibility even if we are aware of the difficulties involved. This is a painful responsibility that we will discharge in keeping with our duties. But we must be aware that only a joint effort by the entire nation will allow us to bear this heavy burden. Thank you.

COURT WORKERS REJECT RAISE OFFER, STAGE STRIKE

PY161303 Paris AFP in Spanish 1322 GMT 15 Apr 85

[Text] Montevideo, 15 Apr (AFP) -- Uruguayan court workers today went on an indefinite general strike demanding better wages after their labor union turned down the increase offered by the government. The decision to go on strike was approved by a narrow margin at a meeting of court workers. Last week the court workers staged a 4-day strike during which they did, however, take depositions and order releases. This strike is part of a long list of conflicts which recently prompted the Inter-Union Workers Plenum (PIT-CNT), the largest labor organization in the country, to go into permanent session and condemn the use of police forces to dislodge workers who had occupied a few factories. The labor organization also warned that demonstrations will be stepped up in order to obtain new salary hikes in view of the 30-percent increase of fuel prices decreed last week and the announcement of a similar increase of public utility rates. PIT leaders estimated that these increases will lead to other hikes, especially in the prices of staples.

SRV ASSEMBLY PRESIDENT PRAISES PEACE POLICY

FL151348 Mexico City NOTIMEX in Spanish 2320 GMT 13 Apr 85

[Text] Mexico City, 13 Apr (NOTIMEX) -- Nguyen Huu Tho, president of the National Assembly of the Socialist Republic of Vietnam, said today that peace efforts by the Mexican Government throughout history have won the recognition not only of Vietnam but also of the entire international community.

Before returning to his country following a 4-day visit to Mexico, the Vietnamese legislator called his visit positive because he had the opportunity of studying with his Mexican counterparts the political, economic, and social situation of the two countries. He also said the presence of the Vietnamese delegation in Mexico and its exchanges with Mexican legislators permitted an increase in the ties of friendship between the two nations, which are currently very important for the mutual interests of the two countries, foremost among which is peace.

Finally Nguyen Huu Tho stressed that the Mexican people are a heroic people because for many years they have struggled against imperialism, especially U.S. imperialism, which added to the kinship between Mexico and Vietnam because Vietnam also has fought the same enemy, as well as colonialism.

PSUM CHIEF WANTS U.S. NARCOTICS AGENTS EXPELLED

FL122004 Mexico City NOTIMEX in Spanish 1855 GMT 12 Apr 85

[Text] Mexico City, 12 Apr (NOTIMEX) -- The opposition Unified Socialist Party of Mexico (PSUM) has demanded the expulsion of U.S. narcotics agents who are interferring in narcotics investigations. The party said this matter concerns Mexico exclusively.

PSUM Secretary General Pablo Gomez said in a document issued by the party's political committee that the origin of the drug problem lies in the 25 million addicts in the United States and in that country's Mafia, which deals extensively in drugs. He added that the social and cultural crisis of the American society as well as the ineptitude of that country's government in carrying out effective actions against drug trafficking have had many repercussions in Mexico.

The PSUM leader pointed out that Mexico is actually the victim of mass drug addiction in the United States and can in no way accept responsibility for the negative effects of drugs on that country's society. This, however, does not excuse Mexican public servants who benefit from the drug trade. Gomez also called on the Mexican people and the democratic forces in the country to struggle against corruption, U.S. interference in Mexico's internal affairs, and abuse by the police.

UNIDENTIFIED SMALL PLANES WILL BE SHOT DOWN

FL151838 Mexico City NOTIMEX in Spanish 1723 GMT 15 Apr 85

[Text] Mexico City, 15 Apr (NOTIMEX) -- The Office of the Attorney General has announced that airplanes flying over Chihuahua that fail to identify themselves will be shot down by members of "Operation Condor" as part of the permanent operation against drug trafficking.

The office reiterated that any airplane that crosses over the U.S. border into Mexico or that is seen flying over that northern state will be in danger of being shot down or intercepted by elements of the anti-drug campaign if its crew members do not identify themselves.

Antonio Quezada Fornelli, an agent of the Attorney General's Office said occupants of small private aircraft must be able to show where they have come from and their destination, as well as the reason for their trip. He added that they must also supply the aircraft's identification and registration data and specify the type of cargo and the number of passengers and crew.

BELIZE

MINISTERS LINDO, WAGNER TRAVEL TO TAIWAN

FL162235 Bridgetown CANA in English 2049 GMT 16 Apr 85

[Text] Belmopan, Belize, April 16, CANA -- Belize Minister of Natural Resources Dean Lindo left for Taiwan today at the head of an official delegation. Before leaving Lindo told reporters that the mission hopes to establish closer technical and financial cooperation between the two countries.

Potential investors from Taiwan have expressed a strong interest in establishment of manufacturing enterprises in Belize, he said. Lindo said Belize could also profit considerably from Taiwan which produces small farm machinery that is adaptable to the scale of farming here. The Belize delegation includes Works Minister Charles Wagner and labour leader Senator Cyril Davis. The visit is at the invitation of the Taiwan Government.

COSTA RICA

SHIPMENT OF U.S RIFLES, AMMUNITION ARRIVES

PA131737 Managua Radio Sandino Network in Spanish 0000 GMT 13 Apr 85

[Text] San Jose, Costa Rica -- A U.S. Air Force plane unloaded a shipment of M-16 rifles and ammunition at the Juan Santamaria International Airport; however, the authorities have refused to report on the number of weapons received. Costa Rica Public Security Minister Benjamin Piza said that this is the first shipment of the 4,000 M-16 rifles that the U.S. Government will deliver over the next few months with the alleged purpose of replacing the Civil Guard's weapons.

EL SALVADOR

FOREIGN MINISTER ON CONTADORA, REAGAN PLAN

PA120445 San Salvador Radio Cadena Sonora in Spanish 1700 GMT 10 Apr 85

[Interview with Foreign Minister Jorge Eduardo Tenorio by unidentified reporter; date and place not given -- recorded]

[Text] [Reporter] What can you tell us regarding Harry Shlaudeman's visit to the country and the topics discussed?

[Tenorio] Soon, on 11 April, a Contadora Group meeting with the Central American countries will be held in Panama City. The meeting will be at the plenipotentiary level. The Salvadoran delegation left today, headed by the deputy foreign minister who is accompanied by Foreign Ministry technicians who are experts in the areas of diplomacy, law, and security. The delegation attending the Contadora meeting is a very balanced one.

Regarding the Contadora process, a series of events worth mentioning has occurred. Among these we have the recent visit to our country by Harry Shlaudeman, U.S. special envoy on Central American affairs. He visited the Foreign Ministry yesterday afternoon and held a work session with me. This work session was also attended by U.S. Ambassador Thomas Pickering.

We discussed bilateral matters and other topics regarding the Central American region, which is Mr Shlaudeman's area of responsibility in the U.S. State Department.

We discussed President Reagan's peace proposal, the upcoming Contadora meeting, and the contents of the agenda for the upcoming Contadora meeting. The support of the U.S. Government and the Salvadoran Government for the peacemaking efforts of the Contadora Group was reiterated. We discussed the recent documents presented to the Contadora Group, in particular the security protocol presented by the Governments of Honduras, Costa Rica, and El Salvador on 15 March in Brasilia to the Contadora Group foreign ministers. This document will be studied at the meeting to be held tomorrow in Panama City. We also discussed the agenda of the meeting, which will include studying the suggestions made by the Governments of Honduras, El Salvador, and Costa Rica at a 20 October 1984 meeting in Tegucigalpa. It is good to remember that these suggestions concern not only verification and control measures but also other areas of the Contadora plan. The Contadora Group, or rather its efforts for peace, stability, and cooperation in Central America, include areas beyond the military regime. Within the Contadora process they search for stability in the political order, stability and progess in the economic order, and also a process to guarantee maintaining a situation of security, tranquillity, and stability in the Central American region. I believe that the Contadora Group's balance after 2 years of intense work is positive if viewed with understanding and tolerance. You cannot ask for immediate and simple results in such a complicated process. There is so much involved and so many interests are at stake that the efforts cannot be translated into immediate results. The draft under consideration for signing is extremely complex and includes the three major areas that I have already mentioned: political, economic, and security.

At times I have also said that, unfortunately, too much emphasis has been placed on military matters. It is a very sensitive matter, but we must also stress the strictly political matters. I have mentioned this before and believe this is a good time to repeat it. Within the Contadora process it is insisted -- it is one of the most talked about commitments -- that the Central American countries must seek functional, operational, and pluralist democracies. In the case of El Salvador this effort has been noteworthy. We have just had elections that were supervised by international observers -- governmental and nongovernmental observers -- who were witnesses of honor. This election could be described as a success in every sense. Many foreign governments have been sending congratularoty messages, aside from the statements by the observers who, as we all know, were in the interior of the country witnessing the elections. Going back to what I was saying, El Salvador is putting forth noteworthy efforts in the area of politics. It is trying to implement a pluralist democratic plan that could be described as successful, because this plan has been recognized not only by the international community but also by Salvadorans, who are experiencing it and can already feel the climate of freedom of expression we have here.

El Salvador is also searching for ways to resolve its domestic problems and has undertaken a process of national reconciliation, domestic reconciliation, or dialogue. We have had two meetings. At the last meeting the rebels adopted a stubborn attitude that apparently forced the process of talks into a recess. However, we have insisted that the process will continue. The president of the Republic has reiterated this, and we have been very clear about this here and abroad. However, this process must be within the framework of our Constitution. The framework for any process of opening and reincorporating the rebels is dictated by the country's Constitution, which will be respected at all times. The Constitution and power will never be areas of negotiation, nor will the principles of this government and this democratic process we have undertaken. However, it is important to reiterate that the government is putting forth efforts so that politically, the country will become, or consolidate itself, as a pluralist, solid, and sound democracy.

This is not so in all the Central American countries, especially not in the case of the Republic of Nicaragua. Nicaragua is out of step with the Contadora process in the military realm when it exaggeratedly builds up its Sandinist People's Army to numbers that are not only out of balance but are ridiculous for a country with Nicaragua's economic capacity and population. Furthermore, Nicaragua has not put forth sincere and honest efforts, within the political area, to perfect and consolidate the pluralist democracy that was promised during the Sandinist people's revolution and later promised, at the OAS. We believe that if the Contadora Document has a lengthy section dedicated to politics, this section should also be subject to verification and control and the Nicaraguans must make clear democratization efforts. They must give clear signs that they are willing to carry out an effort for internal reconciliation with the legitimate Nicaraguan opposition. They must show that they are willing to hold clean and honest elections, not like the controlled elections they had on 4 November 1984, which resulted in Commander Ortega remaining in power and inspired phrases such as all is part of the game except power. This showed that it was a controlled election and the results were predictable because the conditions were not adequate for free, honest, and clean elections. This is one of the points that the Contadora Group must work on. There must be verification and control in the area of security but also verification and control in the area of politics.

There is another issue that our delegation is going to raise at the meeting. El Salvador has insisted that the Central American countries must have an active role within the Contadora process, they must be active within that process, and draft their own documents, and this is something we have been doing since June 1984. We have already presented two documents, rather three documents. We have presented El Salvador's observations which were here on 13 or 14 October 1984; the first Tegucigalpa document that included the observations made by El Salvador, Honduras, and Costa Rica, and texts of the draft of the document's clauses. Later in Brasilia, on 15 March, the document on verification and control was presented.

The Contadora Group countries have sent some concise documents with the group's comments on the verification and control. Therefore, we believe that the meeting in Panama will be a fruitful one, that some agreements will be reached, and that it will refresh the process and help the Contadora process regain its stride.

There are other matters pending like the peace initiative presented by the U.S. President. As you have probably read in the papers, there is optimism despite the fact that the Nicaraguans seem to have rejected President Reagan's proposal. However, according to today's news reports, the U.S. is optimistic that Nicaragua will mediate on this some more. The truth is that what is being offered in this initiative coincides with the commitments made by the Sandinists when they assumed power in Nicaragua. They committed themselves, and we have said this many times, to building a pluralist democratic system, a nonaligned country, and carrying out a mixed economy plan. In the area of economy the criticism is such that there is no need to mention it. The country is being economically mismanaged. Politically, they did not build the pluralist society they promised. However, we believe that they can correct this and retake the correct path to allow the different political forces in Nicaragua, even those forces that in the beginning supported the revolution actively -- Dr Arturo Cruz was even a member of the National Reconstruction Junta, he was the Sandinist junta's ambassador to Washington, and many other people like Alfonso Robelo, were members of the first National Reconstruction Junta. Eden Pastora was not only Commander Cero, a fighter, but as you will all remember, he was the first deputy interior minister and chief of the Nicaragua People's Militia. All that has been suggested to the Nicaraguans is not far from what they promised when they assumed power in Nicaragua.

TENORIO CITES TIAR AS MECHANISM TO STOP ARMS FLOW

PA122018 San Salvador EL DIARIO DE HOY in Spanish 11 Apr 85 pp 4, 24

[Text] El Salvador is prepared to take recourse to all international legal instruments, including the Inter-American Reciprocal Assistance Treaty [TIAR], if it continues to be attacked, Foreign Minister Jorge Eduardo Tenorio told newsmen yesterday morning during a press conference.

Tenorio said: We must continue seeking all possible defense mechanisms if we keep being attacked by the Sandinists, who continue sending weapons to the subversive groups operating in our country. He said El Salvador wishes to live in peace with all of its neighbors, revive Central America's economic integration, and promote an improvement in the economies of all countries. However, he said, we want other countries to have the same political will and for this reason we are exhaustively working on and analyzing the Contadora matter.

Concerning the Contadora Group, he said that although after 2 years its progress has been highly positive, it has not reached the level hoped for. At least, it has been a detente mechanism in the region, he said. Tenorio added that there are plans to create a multilateral mechanism involving third countries that would control compliance with commitments and stop the smuggling of weapons into the region. If the arms smuggling continues we can also resort to already existing mechanisms, like the TIAR.

Regarding the countries that could make up the multilateral body, El Salvador has proposed that, in addition to the representatives from the Central American countries, it include countries that have participated in the Contadora process. European countries like Switzerland and Italy, Canada, and a South American country have been mentioned. Some international media have even mentioned Argentina. The problem we have, he said, is that the arms smuggling is difficult to prove because these activities are clandestine. The last time some organizations even insisted on being provided with films showing the smuggling "with names and surnames." This is difficult for us to provide, he said in concluding.

REY PRENDES ON POSSIBLE GUERRILLA TALKS IN APRIL

PA140000 San Salvador EL MUNDO in Spanish 12 Apr 85 p 3

[Text] Salvadoran Minister of the Presidency Adolfo Rey Prendes has told EL MUNDO that the FMLN-FDR guerrilla's proposal for a third meeting with representatives of the Salvadoran Government on 21 April to continue the dialogue begun in La Palma is an act of propaganda and pressure. Radio Venceremos, the official radio station of the rebels, in a recent interview with FMLN leader Commander Joaquin Villalobos said that the FMLN-FDR had sent the front's official message to Salvadoran President Jose Napoleon Duarte suggesting 21 April as the date for the third meeting, to be held in Morazan Department. The FMLN-FDR's message was sent through the church. Morazan Department is an area in eastern El Salvador where the rebels are most active and where they claim to occupy several towns.

Rey Prendes said that the document, which according to statements by Msgr Arturo Rivera y Damas, archbishop of San Salvador, has already been delivered to President Duarte, has not been discussed. At this moment, Rey Prendes added, the meeting is not advisable because of "the political climate."

"We must wait until the new authorities are installed, and we must meet with the various sectors of the country, like the unions, peasant unions, representatives of private enterprise, and leaders of the political parties."

The minister added that this third meeting must follow the same format used at La Palma, "because the government is willing to continue the dialogue and search for the political means to achieve peace in El Salvador. This is President Duarte's objective." However, when Rey Prendes was asked about the possibility of a meeting at a future date, he responded that he could say nothing about this because the FMLN-FDR stance had not been discussed and that the meeting could be held before the end of this month or before President Duarte travels to the United States in May. In conclusion, Rey Prendes hinted that the guerrillas' request for a meeting on 21 April is not possible, "because the government must hold consultations with the various sectors of the country, and this takes time."

RIVERA Y DAMAS CRITICIZES SLOW VOTE TALLY

PA152258 San Salvador EL DIARIO DE HOY in Spanish 15 Apr 85 pp 10, 45

[Text] Yesterday, the Salvadoran Catholic Church, via Msgr Arturo Rivera y Damas, the archbishop of San Salvador, criticized the slow progress of the vote count being carried out by the Central Electoral Council [CCE] to determine the results of the 31 March elections.

Addressing some 1,000 people gathered in front of the Metropolitan Cathedral, the prelate referred to several current issues. He condemned the massacre in Santa Cruz Loma canton, Santiago Nonualco, where more than 20 peasants, including men, women, and children, were killed in cold blood by terrorists last Tuesday. He said: "This cannot be interpreted as a good-willed intention to seek peace."

In addition, he also expounded on the work being carried out by the CCE to recount votes cast during the 31 March elections. According to the clergyman, that process is making Salvadorans increasingly impatient.

The clergyman also criticized the arrests by the security corps, but said that the list of people kidnapped by the so-called insurgents is even longer; the insurgents are holding a female mayor from Sensembra, Morazan, and are demanding a heavy ransom from her family. The prelate criticized kidnappings and other similar actions on the part of these groups.

As for a possible meeting between terrorists and the government for 21 April in Perquin, Rivera y Damas expressed disapproval because on that day, the national vaccination campaign is scheduled to resume. Such work should not be hampered, he said. Another report yesterday stated that terrorist groups released four noncommissioned officers belonging to the Paraiso Brigade in Dulce Nombre, Chalatenango Department. They had held the soldiers for several days. Via a telephone call to a San Salvador radio station, the terrorists stated that they had turned over the soldiers to clergymen in Dulce Nombre, since it was impossible to do so via the International Red Cross.

RADIO VENCEREMOS ON 'ABUSES' BY HONDURAN TROOPS

PA162338 (Clandestine) Radio Venceremos in Spanish to El Salvador 0000 GMT 16 Apr 85

[Text] Radio Venceremos has received a report on abuses committed by the interventionist Honduran Army in our national territory. The report states the following:

On Wednesday, the Honduran Army again entered Los Naranjos, located on the border in Morazan Department, and clashed with our guerrilla forces. We were told that the Honduran Army troops burned nine [as heard] houses belonging to Salvadorans. The houses belonged to the following peasants:

Jose Claro Quintero, Cupertino Garcia, Celestino Menendez, Francisco Perez, Oscar Pere Garcia, Candido Hernandez, Gertrudis Hernandez, and Jose Eusebio Amaya. The Honduran Army burned the houses and belongings of these persons.

We warn the Honduran Army troops that our guerrilla forces will fight them while they are on Salvadoran territory. The Rafael Arce Zablah Brigade guerrilla forces have been instructed to repel and expel the Honduran troops from our territory.

GUATEMALA

MORE ON GOVERNMENT'S POLITICAL, ECONOMIC 'CRISIS'

Mejia To Heed Tribunal Decision

PA161959 Guatemala City Radio-Television Guatemala in Spanish 0100 GMT 16 Apr 85

[Text] General Guillermo Mejia Victores has stated that he will respect the decision of the Supreme Electoral Tribunal in regard to the convenience or inconvenience of moving the elections from 27 October.

Tribunal Head on Election Date

PA162020 Guatemala City Radio-Television Guatemala in Spanish 0100 GMT 16 Apr 85

[Text] The Supreme Electoral Tribunal does not think it proper to move up the date of Guatemala's general elections, scheduled for 27 October, the Tribunal's President Arturo Herbruger Asturias said today.

Political sectors are suggesting the advisability of holding elections before the established date and certain party leaders discussed this topic with Chief of State Oscar Mejia Victores last week.

However, the president of the Supreme Electoral Tribunal said that it would be very difficult to please those who want to move the date of the elections.

[Begin recording] I think that this would be very difficult because these dates on the electoral calendar were set in an effort to complete the electoral process as soon as possible. It must be taken into account that an election for president and one to choose municipal officials and to choose a congress, in other words, three simultaneous elections are much more complicated than those we held last year. We need a reasonable time for them. We believe that 27 October is a convenient date to make all the preparations as long as the Constitution of the Republic is ready by May. I don't see the possibility of moving the elections date ahead or the need to move the date on the calendar. We must bear in mind that 27 October was set under the realization that at that time the country will be in the middle of summer and there will be no danger of heavy rains. But if the elections are held earlier, it might be in the rainy season and the elections will then be more difficult. Therefore, I don't think it is worth it to move the elections a few weeks earlier and to take the risk of holding elections in the middle of the rainy season. [end recording]

No More Cabinet Changes

PA161916 Guatemala City Radio-Television Guatemala in Spanish 0300 GMT 16 Apr 85

[Text] Guatemalan Head of State General Oscar Humberto Mejia Victores today announced his decision not to make further changes in his cabinet following the removal of Finance Minister Leonardo Figueroa Villate. Several sectors have requested the removal of Economy Minister Leonel Hernandez Cardona, who is considered partly responsible for the financial crisis the country is experiencing. Some political sectors have said that Foreign Minister Fernando Andrade Diaz-Duran, Agriculture Minister Juan Humberto Mancur Donis and Mines and Energy Minister Alejandro Contreras Bonilla should also be removed. These political sectors blame these ministers for serious mistakes in government policy. However, in statements made today to "Here is the World" newscast, Mejia Victores rejected the possibility of further changes in his cabinet.

[Begin recording] [Reporter] Is there a possibility of more changes in your cabinet?

[Mejia] I could make changes but I will not.

[Reporter] No one will be removed?

[Mejia] No one.

[Reporter] Regarding the abolishment of the taxes, currently they have been suspended. Is there a chance they will be abolished?

[Mejia] I have not decided. [end recording]

CACIF Asks Cabinet To Resign

PA162034 Guatemala City Radio-Television Guatemala in Spanish 0500 GMT 16 Apr 85

[Paid advertisement by the Coordinating Committee of Farming, Commercial, Industrial, and Financial Associations, CACIF; no date, place given]

[Text] Guatemala cannot wait. The country's productive sector has admitted that the just demand made by the Guatemalan people was partially met by the government when it took initial steps regarding the tax package, suspending the new measures and dismissing the finance minister, or one of the officials who with his fiscal policy was leading the country to bankruptcy and the people to more poverty.

However, the abolishment of Decrees No 2785, No 2885, No 2985, and No 3085 is necessary [word indistinct] suspension by itself creates a period of legal uncertainty that lasts from the moment the suspension was decreed to the time it is definitely resolved.

This period, whehter long or short, will keep the country's economic activity at an impasse and quickly lead us to a greater economic deterioration. The suspension also implies the threat that these repudiated regulations may someday be put into effect partially or totally.

The country's productive sector is willing to talk, but to do this, in addition to the abolishment of the decrees already mentioned, it asks that the group with which the productive sector talks be composed of capable and credible people, because it is impossilbe to talk with those who in the past have [word indistinct], lied and failed in their work. For this reason, all the gentlemen who make up the economic cabinet should resign, leaving the head of state free to choose advisers with the capacity and credibility demanded by the circumstances.

The Guatemalan people have already suffered the consequences of an interventionist policy of rationing, long lines, (?permissions), controls, and humiliation. This policy has created corruption, poverty, unemployment, and chaos. What we need to solve the country's problem is a change in economic policy. This change cannot wait, and neither can Guatemala.

[Signed] CACIF, composed of the country's productive sectors which include the following [word indistinct]: the Guatemalan Chamber of Commerce and its affiliates, the Guatemalan Chamber of Tourism, National Agricultural Union, Gautemalan Agricultural Chamber, the General Farmers Association, National Coffee Association, Carcor [expansion unknown], Guatemalan Sugar Producers Association, Guatemalan Chamber of Finance, Guatemalan Construction Chamber, and the Guatemalan Chamber of Industries

Commerce Group Supports CACIF

PA170350 Guatemala City Radio Nuevo Mundo in Spanish 1100 GMT 16 Apr 85

[Excerpt] Yesterday, the Guatemalan Chamber of Commerce held a plenum and expressed full support for the actions to be taken by the CACIF aimed at getting the government to meet the demands presented by the private sector as a result of the crisis caused by the new taxes.

Tax Package Repeal 'Forced'

PA170359 Guatemala City Cadena de Emisoras Unidas in Spanish 2350 GMT 16 Apr 85

[Text] The military government headed by General Oscar Humberto Mejia Victores was forced to repeal Decrees No 2785, No 2885, No 2985, and No 3085 containing a repudiated tax package, as well as exchange rates and economic measures designed to bring about a production recovery. Through Decree No 3685, revealed this afternoon by the secretary general for the head of state, the government of the Republic repealed those decrees and in so doing they are not indefinitely suspended as had been previously announced.

Manuel de Jesus Giron Tanchez, secretary general for the head of state, said that the repeal of the decrees containing fiscal and exchange rate amendments does not constitute a weakness on the part of the government because it was adopted in keeping with the interests of the Guatemalan people.

According to Giron Tanchez, a correction of this nature further strengthens the government to benefit the people. He also reported that Decree No 3585, which cancels the payment of taxes that the taxpayers would have had to pay during the days in which the tax package was in force, was issued. That package was not left in suspension, but repealed this afternoon.

Through resolution No JL88-85, the Monetary Board repealed a resolution containing a monetary, exchange, and credit policy for the April-December period. Previously approved Monetary Board decrees are still valid. This resolution, which was repealed during a special meeting, this afternoon, is the result of a decision by the executive branch to definitely repeal Decrees No 2785, No 2885, No 2985, and No 3085 of the repudiated and now aborted tax package.

HONDURAS

GEN LOPEZ CLARIFIES STATEMENT ON RESIGNATION

PA161532 Tegucigalpa Cadena Audio Video in Spanish 1145 GMT 16 Apr 85

[Telephone interview with Armed Forces Commander in Chief General Walter Lopez Reyes by Radio America anchorman Rodrigo Wong Arevalo, in Tegucigalpa on 15 April -- recorded]

[Text] [Lopez] Good morning, and thank you for letting me clarify some statements being reported this morning. Regarding a journalist's question on whether it would be convenient for the president to resign, my answer was that this was an alternative, but I also said it depended on which levels we are dealing with. What I meant was that it is not possible to ask a high-level official to resign just because you want him to resign. I simply used myself as an example because we, the members of the Armed Forces Superior Council, make top-level decisions. In other words, and also using an example, remember the case of General Gustavo Alvarez. If we had asked him to resign -- on behalf of the Armed Forces Superior Council as a group -- we would surely have ended up in prison.

However, we have now changed a number of outlooks and actions, and we now trust the good sense and opinions of all the officials in the council. In other words, if they -- based on my attitude, and I have the moral strength to assert it -- do not like the way I handled or handle the Armed Forces directorate, the law says it is their duty to tell me so and I would immediately submit my resignation, without provoking chaos; the people would not necessarily know about this, the law simply makes provisions and I would do it. However, this is at a level subordinate to the executive branch.

I used this example because when political organizations lack leadership, or if the leader does not have the necessary backing to lead an organization made up of divergent philosophies... [rephrases] Well, this would be a case. We are talking about lower levels, more public, and if the leader considers himself a patriot, he must resign instead of continuing a useless fight -- since he will not be able to lead the masses to the top, to success. Consequently, I was mainly referring to this; I did not imply that the president should resign, because that is not possible. In other words, the pressures we are discussing are mere political pressures; they are not well-intentioned efforts to save our nation's destiny. I do not know if I have clearly explained myself.

[Wong] Gen Walter Lopez, I think that your telephone call has been quite opportune because analysts, observers, and politicians are always trying to interpret those things that cannot be clearly stated regarding political and government affairs. We had almost come to the conclusion that you had told the president you did not agree with some of his actions -- for example, when he vetoed the amendments to the electoral law on Friday.

[Lopez] Correct.

[Wong] In any case, Gen Walter Lopez, what is your viewpoint on the president's decision to veto the amendments to the electoral law, despite the fact that these amendments are aimed at democratizing even more so the Honduran institutional process?

The amendments stated that the people should elect their candidates by a majority and by internal elections. Do you think the president has acted correctly or not?

[Lopez] Well, I was also asked about the amendments to the law. I stated that I cannot meddle with the president's policies or with the Congress' goals. It is not within our purview to voice an opinion on this. We understand that whenever the president vetoes a law or amendments to the electoral law, he will state his reasons. We have no knowledge about these reasons so far. If the president's veto is reviewed by Congress we will then have a better idea. A majority of Congress is saying that this is the most convenient thing for our country, but we cannot voice a clear opinion on this since we have not seen the amendment. We do know that it would prove highly convenient for political parties, not for our organization, our armed corps; consequently, we would hardly be affected by this. We cannot categorically say that the president has acted correctly or not -- let me be quite clear about this -- and we can never criticize the viewpoints of our Armed Forces commander general. The only thing we could do is give him our view or some kind of orientation, if and when we know the subject being discussed and know that the president will veto it.

[Wong] Yes. However, you said in your statement that Honduran President Roberto Suazo Cordova should abide by the will of the majority and if the president vetoes the amendments to the electoral law he would contradict your viewpoint, or the Armed Forces viewpoint, and if leaders are to remain as leaders and continue in their post they must abide by the majority's will. You said that you are ready to resign if the Army considers you an obstacle, and you have said this to your comrades in arms.

[Lopez] Definitely, yes. However, we are not discussing the president's reelection; he is not running for president again, he is about to end his term. Therefore, we are talking about the election of a new presidential candidate for the next mandate, which starts in 1986. There can be no contradiction about this: The president cannot resign from something which he cannot run for, since he is about to conclude his presidential term.

[Wong] I understand. The problem is that the president is being accused of wanting to choose the candidate. That is the crux of the matter, and the people will not accept it.

[Lopez] Precisely, but since this is essentially a political matter we cannot meddle in this problem. We cannot state our viewpoints, even if the candidate is imposed by the president or elected by a majority vote, because the parties have held its assemblies and conventions. I understand that the proper resolutions will be issued to solve the current political crisis.

[Wong] Your gesture -- of calling to fully explain things to the people -- proves you are a dedicated military officer and a renowned citizen. We want to say this, because military officers are always characterized as introverts; they never talk much. I believe you want to fully explain things to the Honduran people. Thus, it would be advisable for you to explain the statements you made yesterday, because many people understood that you are willing...[rephrases] that you do not share the president's view on vetoing the amendment to the electoral law and are practically inviting the president to resign if he becomes an obstacle.

[Lopez] Okay. I will say the same thing using simpler words. Let us say...[rephrases] Let us compare events from last year, prior to 31 March, to current events. When I used myself as an example and said I was ready to resign from the post for which I was chosen by the Armed Forces Superior Council -- our highest organization -- what I meant was that I cannot impose myself on the will of an Army that is essentially professional.

Our concern and our decisions are always aimed at favoring the people, democracy, and alternatives for solving all the problems within our purview. However, we are aware of another phenomenon: We are members of the National Security Council and, in one way or another, we sometimes become involved in these situations because it is provided by law. In other words, we are part of this organization, which works for the president in an advisory role, analyzing our county's internal and external policies and the social phenomena derived from any possible problems. This summarizes our participation, and we could never reveal our position. We only do it so that the Armed Forces get a pragmatic idea of the problems.

I want to repeat what I said close to the end of the speech I delivered to mark the conclusion of the Scorpion exercises: We must maintain a strong and united internal front to counter any threat from abroad. It would be inconceivable for us to engage in a confrontation to defend our territory, or some territory or zone, knowing that an internal conflict prevails in our country. This would seriously undermine our plans. Do you see what I mean?

[Wong] I am aware that, as you said, the Armed Forces Superior Council is the decision-making group within the Army. Can it be said that there is a consensus within the Armed Forces Superior Council regarding the current institutional crisis and above all regarding the amendments to the electoral law?

[Lopez] There must definitely be a consensus. It is not possible that we go one way and others another. We cannot follow the example of other countries because this is precisely the way to encounter crises. The military institution is aware of all that is happening and we cannot say that we have adopted a decision; we must simply fulfill the duties as demanded by the Constitution. As I said previously, we also obey our general commander. He gives us the necessary orders and we are mature enough to know what is good for the country. What I will tell you is that we seek peace and tranquillity for our people; that such a simple, and essentially political problem should not become an element of division among our people. I believe that there are many ways to find the best solution for this; however, when you go to an extreme and find that no one, absolutely no one, is flexible then we enter the crisis. This is what we are trying to avoid.

What you said about our silence is true because we are trying not to confuse the people. We do not want our statements to be interpreted in a single sense. Each of the parties involved would interpret the statement as he sees fit and we are totally neutral. We are concerned about our people, our government, and our system. We must back it until the elections are held and a new president is installed. We must give the world an example because this is affecting us. Our ability to negotiate and find solutions to our problems is being weakened because of this; each of the parties involved wishes to adopts its own position and this is not possible because this is hurting national interests.

[Wong] Gen Walter Lopez, can you further explain the statement you made yesterday that the current crisis between the president and the Congress must be resolved as soon as possible?

[Lopez] As we have said, there are many things to be resolved at this moment. When we use the phrase as soon as possible it is because we cannot afford to have this crisis continue until the time for elections. This would not only cause the democratic process to fail but it would also be the beginning, the detonator, of our return to the era of rebellions -- each one dragging his group to fight for his position. This would create a situation that would permit foreign forces to enter. Can you imagine what it would be like? You can imagine each of the political party leaders dragging large numbers of Hondurans to demonstrate in the streets -- let us say that it is done in a civic sense.

We cannot overlook the fact that international terrorism would use such activities to plant bombs, to sabotage, and so forth, and blame it on the demonstrations. Then the Armed Forces, following what has been established in the Constitution, would have to act. Remember that amid such a confusing situation it is difficult to decide what to do and who to punish. We punish disorder.

This is why we use the phrase as soon as possible because this situation causes not only a halt in negotiations, but also in administration, stability, and there would be no internal peace. It would be very confusing between now and November.

[Wong] But there is a truth in this, Gen Lopez. The problem is that the crisis between the branches of the state, the institutional crisis, is about to become a vicious cycle. The president says and does one thing, the Congress says and does another, and so forth. This means that the conflict will continue and if someone does not do something, the election day will come and the situation will not have changed. This is the general impression throughout the country. It is already being said that the Congress may disquality Oscar Mejia Arellano today. This would be the beginning of a vicious cycle. On the one hand we have the president and the government's official sector adopting decisions that the Congress will not accept, and the Congress responding with other decisions. What is the Armed Forces' position regarding this dangerous situation that could break the equilibrium of the Honduran institutional order?

[Lopez] I understand your question and I believe that all those involved in this problem must understand this. We, the Armed Forces, have tried to stay outside the margins of the political panorama. However, you have asked a very important question that I believe the people should think about. What will the Armed Forces do about this to prevent the situation from getting worse? We, within the Armed Forces, will have to analyze this and we will have to adopt a decision. It will definitely have to be a radical measure because, as I said last year during a speech, we are not attempting to use a given situation to assume power. This is not our position. We do not represent the will of the people, per se, however, it is our duty to maintain peace, tranquillity, and the security of our people. Therefore, we will have to participate in some measure. However, at this moment I cannot say what this would be.

[Wong] I understand this, General. I asked that question because I wanted to lead you, not into an extreme situation, but to something that we believe is the most sensible position we have ever seen. This is that despite the fact that the Armed Forces has been practically invited to stage a coup d'etat, it has refrained from doing so at a time when it is not convenient for the country to have a de facto government. Why? Because the conflict must be solved. Therefore, if the Armed Forces will not help resolve the situation with a coup d'etat, then what will the Armed Forces' position be? Support the president, support the Congress? Which?

[Lopez] Yes, this is the way it is and this is why the various civic and social organizations of the country and the Catholic Church, which is concerned about this situation, have expressed their concern. However, you must admit that the position being adopted by some political leaders is completely absurd. We cannot allow the people to continue thinking about the threat of a coup d'etat. We have already said this quite emphatically; we do not want a coup d'etat, this is not what the people need. We have bigger problems we have to tackle. However, I cannot answer your question in the way you have phrased it. Which side would we support? I cannot answer that. It would create more problems, it would allow further distortion of the position of the Armed Forces. However, it is true that we must do something and I trust that the people and the criticism of the journalists will be sensible. Just as you said, something must be done and we want to do what will be best for our people.

[Wong] This is the worst institutional crisis we have gone through in the entire Honduran political life. This is a very grave institutional crisis. The crisis between Manual Bonilla and Policarpo Bonilla did not even last 3 days, because in the long run, Manual Bonilla arrested all the deputies, and the crisis was over in 3 days. However, the current crisis has already lasted over a month, and is threatening to go on until the next elections scheduled for the last Sunday in November. Everybody here expects the Armed Forces, according to Constitution, to guarantee order in the country, not only in relation to its territorial security, but also its internal, institutional, and civilian order as well. Since it is said that the Armed Forces are the people's armed branch, everybody hopes for a solution other than a coup d'etat, because this would disrupt the institutional order, and surely it would require many years for Honduras to return to the path of institutional order. This is why we are asking you these types of questions, Gen Lopez, because we consider it very healthy for our country for you to give us conclusive answers. Now, it is obvious that the members of the Armed Forces who have the high responsibility of directing the destinies of this military institution have constantly stressed that in the current crisis you are acting according to the Constitution of the Republic...

[Lopez, interrupting] Correct, and as you have just said, this is our duty, and you can be sure that we will comply with our duty, because I think that we know much more about our social, economic, and political problems than perhaps some of the persons who are trying to make impressions on the political scene. However, although we definitely do not want to alarm our population, we are going to have to take some kind of measure, which I repeat, could be drastic. However, this does not mean that we are going to seize power. This would not be convenient. I can add this: We have discussed the situation with foreign personalities, and they have expressed their concern, concern because our country is receiving economic aid for the development of our people, and now these countries are afraid that this could happen. However, we have told them that we will not participate in a coup d'etat. Our duty is to protect the system, and the government system elected by the Honduran people in 1982.

[Wong] In reality, all the activities in the country are being affected. Since our country is not a producer and practically depends on the loans it receives from international organizations and on the aid it receives from countries that want to help developing countries to back its currency; our situation is even more critical and unfortunate. Therefore, Gen Lopez, the Honduran people are not indifferent, but quite concerned over the current institutional disorder, and feel that it is time to find a solution, since politicians have refused to seek an understanding, or a point of convergence to solve the problem, which from a legal problem has developed into a political problem. It has become a political problem because everyone in this country is using the same language: the president of the Republic, the judicial branch, and the National Congress are all caught in a vicious cycle and are using the language of force. We want to point this out very clearly as an independent communications media with no political interest. We praise the role that the Armed Forces have played in this respect. Although they have been incited and provoked into practically carrying out a coup, they have maintained an impartial position and have not disrupted institutional order. Gen Walter Lopez, it is convenient that you state again that the Armed Forces will respect the institutional process until 24 November, so that the people can vote, that the Armed Forces will adopt a drastic position, but that the institutional order will not be disrupted by a coup.

[Lopez] Exactly. We have repeated this on various occasions. We promise this to our people. We will respect the process already in progress. This has been our people's desire, which we will respect. However, I repeat, the position we will adopt is probably the healthiest because, as you said, things cannot continue as they are until election day.

In addition, I would like to stress that if this internal instability continues, it could lead us to more serious problems. Precisely, my speech yesterday at the ceremony commemorating the anniversary of the Armed Forces was a message to all the social and political spheres in our country. We see with concern that our people are turning away from the problem because they are afraid to participate and to tell those involved that enough is enough. However, everyone definitely seems to be concentrating on criticizing one person: the president of the Republic. We must remember that one man alone cannot be held responsible, there are many of us who participate in finding solutions to our country's problems and who are also responsible. I think it would be somewhat absurd to lay all the responsibility on one person. So, we must stress that we believe in opposition, but a constructive opposition. Several alternatives may have been presented at the last minute, but perhaps they are not adequate solutions, because we are racing against time. Therefore, if we decide to take action now, it will be to defend this system, this freedom. You can see that today there is freedom of expression as we never had before in our country, and we like it. Not only do we want to receive flowers, we also want to know about our problems, in order to make the necessary corrections. We had the opportunity to exchange views when the recruiting system was being debated. We picked up recommendations, and we acted accordingly. However, we also wanted to provide guidance to our people, to our youth on the new mentality of the Armed Forces. We have tried to portray our public messages along these lines, not only toward the youth that will engage in a patriotic service, but also toward those who are supposedly guiding our people. We must remember that our population has a very low educational and cultural level, and could be easily incited to rebel, which is what we are trying to prevent. Nevertheless, we have definitely managed to communicate with all the social groups, and today we are part of the same group: peasants, workers, unions. We maintain permanent communications because what we need are programs for our country's development. We need an open, frank, and sincere dialogue so that there can be understanding. We are not a privileged group, we are all fighting for the ideals we inherited from our heroes. Therefore, we wish there was someone in these last days of the 20th century, at least one person, with sufficient moral integrity, with a truly professional mind, who would give up attitudes that will only bring more conflicts.

[Wong] Gen Lopez, on the subject of recruitment, we would like to take a moment to publicly recognize that at the meeting attended by the directors of the news media, you were the officer who was more receptive to our criticism and suggestions. You were more receptive to our recommendation regarding the time for voluntary registration of citizens who had reached the military service age. On another subject, we would like to mention that ever since yesterday, there are rumors in Tegucigalpa that General Alvarez Martinez is currently in San Pedro Sula. Do you know anything about this?

[Lopez] Yes, we have heard this rumor, and not only this week. These rumors have been going on for months. Logically, these rumors are started by some groups that want to bring uneasiness to our institution. Fortunately though, we are level headed, and we no longer believe these rumors. As you know, we have many pending matters with Gen Alvarez, which he must clarify to our people. He must make a public statement, and he must prove his innocence. When he once said that he was not allowed to return to the country, he was publicly invited. After that, there was an internal process within the Armed Forces, an internal trial, and a copy of the final document was sent to him in Miami. He signed it, but he never came back to the country to answer the charges, which makes him a deserter of the Armed Forces. We do not want him to be in the hiding, but rather to present himself as any professional officer, to respond to the charges he faces within the Armed Forces. We do not pay much attention to these rumors, because we know that they are part of a psychological war, of a cold war, and we are not going to fall for that. So the groups that are fomenting these rumors should stop holding that we are going to start running and be put on alert. The situation is quite the contrary. If anyone wants to defend his honor, he must abide by the law.

[Wong] It would be wise of you to clarify this chapter once and for all, because many people believe that because of the way you got rid of Gen Alvarez you did not win the sympathy of the majority of the members of the higher council.

[Lopez] I do not think so, because the higher council was aware of the situations and discussed it in-depth. A consensus was reached, based on the evidence presented. In addition, you can ask yourself one small question: He had to leave under special circumstances, due to various reasons. What happened within the Armed Forces afterward? There is a new atmosphere of internal tranquillity, and a faster process to true professionalization began. So, in this sense, I sincerely tell you that I am willing to have my actions judged. We had also heard, as part of these rumors, that the higher council was going to summon me, to remove me, and bring Gen Alvarez back. However, as I said, we do not worry about these rumors, because the reality is different. So, we are not upset by this, we know that our actions are legal, and at any time we could make the necessary clarifications.

[Wong] That is good. Finally, Gen Walter, I do not want to abuse your kindness but would you make a brief statement and answer a few more questions. We would like you to reiterate what you have just said -- practically warning the politicians involved in this confrontation -- that the drastic decision you have announced will not be a coup d'etat, or asking for the president's resignation, in order to clarify this once and for all.

[Lopez] Yes, of course. First of all, and I will refer to the highest position, which is the president, at no time have we tried to give the impression that we are questioning his government or his policy. On the contrary, we are giving him our definite support. However, please note that all question must be clearly stated so that the answers will also be clear. We avoid putting names on positions. For us, he is our general commander and the president of the Republic. He has been downgraded tremendously, because there have been some unscrupulous persons in these cases. We are going to uphold the decision of protecting the system, of protecting the president of the Republic. We understand that, as the top representative of all Hondurans, it is with him that all presidents and officials coming from abroad must meet. They discuss with him the delicate and difficult issues of our country. Therefore, let the Honduran people rest assured that there will be no coup in Honduras. You may rest assured that the Armed Forces will be alert, seeking solutions which are best for national interest.

[Wong] Your statements to Radio America this morning are historic; they will go down in history. This reasserts your prestige as commander in chief of the Armed Forces who has won the people's sympathy because you are a communicative man. You are not rude to the news media members like other military leaders have been. In the past, whenever a reporter tried to question them... [rephases] ask them about their views on certain national events, they were given crude answers and insulted by former commanders in chief of the Armed Forces. Thus, I think that the Honduran people are constantly reiterating -- almost every day -- their admiration on the way you handle your high post in all-encompassing way, even though being the leader of the armed corps means you have great responsibility.

[Lopez] Thank you.

[Wong] To conclude, I would like to turn over Radio America's microphones so that you may send the message you consider most appropriate to the Honduran politicians and citizens in general who are directly or indirectly participating in the electoral process.

Some have an active role in the political sector and others simply cast their ballots.

[Lopez] I appreciate your compliments and would like to conclude this statement by saying that we must all imbue oruselves with patience and wisdom, as well as a good does of humility. We must understand that there exists a supreme being and he is the only one who can tell us what life we must have. We must be wise and humble because any arrogant attitude will only lead us toward a fierce and destructive confrontation. To hold elections, we must see this as a civic event, and the citizens have the duty to elect the most appropriate man since he will lead our country's destiny. Once that man is installed as president, our resources must not be aimed at destroying and slandering him, but rather to help him develop the country and this needs a joint effort. It is the same when we plan a war: If all do not participate, it will be a complete failure. I might add that national unity is top priority and we must seek it out either by setting aside negative attitudes or joining the majority movements that seek to attain a better future for Honduras. That is all.

[Wong] Thank you, Gen Walter Lopez. We thank you for the clear and categorical way in which you have clarified the Armed Forces' position regarding the current crisis in our country. [end recording]

PRESIDENCY REJECTS ACCUSATION ON MISUSE OF FUNDS

PA161701 Tegucigalpa Televisora Hondurena in Spanish 0130 GMT 16 Apr 85

[Communique issued by the Presidency of the Republic in Tegucigalpa on 15 April]

[Text] During his speech at a political meeting of the Liberal Party faction opposed to the constitutional government of the Republic, National Congress Deputy Carlos Orbin Montoya said, quote: We also denounce, as we did last week before the Congress, the draining of the Honduran dollar exchange from the market, exchange manipulated by the Suazo Cordova government for its own good. This is a very serious charge that apparently could have gone unnoticed. At the instructions of the executive branch, dollars are bought at the Central Bank and taken to the black market. The money obtained is used to finance nonexistent meetings and buy the support of civilians and the military. This charge is repeated throughout the country when industry, agriculture, and commerce, are denied this exchange. However, it is sold on the black market to get funds to continue the dictatorship personally promoted within the Armed Forces Superior Council by Roberto Suazo Cordova, unquote.

This charge is a very serious accusation against Honduran President Roberto Suazo Cordova; the Armed Forces, including the Armed Forces Superior Council; and the Central Bank of Honduras. Such a serious accusation, which stains the dignity of persons and institutions who due to their position deserve respect, must be presented along with proof of its validity.

The government of the Republic definitely rejects this accusation, irresponsibly made by a National Congress deputy who, using his public position, has become a spokesman for the opposition to a regime that directs the destiny of Honduras. This accusation has also been made to create, within the legislative branch, an environment of anxiety and unrest against Honduran democracy and its constitutional system. This situation is worsened by the fact that this accusation is intended to create internal confusion and discredit abroad by harming the Honduran president; the Armed Forces, and institution that deserves the respect and support of the Honduran people; and the Central Bank of Honduras, an institution that will continue to fulfill its duties to help resolve the country's financial and monetary problems.

Unfortunately this accusation has a suspect origin and is part of a plan to systematically destabilize the democratic institutions, to create problems within the permanent constitutional entities, and to cast doubt regarding the way in which public matters are handled.

In view of the above, the government of the Republic demands that the evidence on which the accuser based the irresponsible and aggressive accusation be presented because such an accusation is aimed at creating unrest and misunderstandings among the productive sectors of the country. Honduras has a legal and political regime which is based on the free exercise of citizens' rights. In Honduras, the legally constituted authorities guarantee constitutional rights and freedom, which include the freedom of expression of Deputy Montoya who has abused this right, as well as his immunity as a deputy, to commit slander and to lie. During his speech, and regarding Honduran foreign policy, Deputy Montoya also said that Honduras is being used to attack other countries. The sole intention of this accusation is to discredit our country's international actions and to support and identify with those who, from abroad and with the complicity of some Hondurans, are trying to establish a totalitarian and repressive regime.

The government of the Republic reiterates its clear decision to continue guiding the destiny of the country with the greatest responsibility and patriotism. It also believes that constructive criticism is not only necessary, but also healthy for a democratic government, when this criticism contributes to the welfare of Honduran society. Likewise, the government of the Republic is forced to adopt the adequate measures, within the framework of the law, to prevent chaos and anarchy and to protect the authorities and institutions from slander. These authorities and institutions are dedicated to solve the country's various national and international problems. Deputy Carlos Orbin Montoya must present proof for his accusations and the state will use the legal resources available for assure that truth prevails.

PAZ BARNICA ON NATIONAL SECURITY MEETING

PA112332 Tegucigalpa Domestic Service in Spanish 1130 GMT 11 Apr 85

[Text] The National Security Council met on Wednesday at the Government House to analyze the results of the Colombian president's visit and bilateral relations with the Sandinist government. Honduran Foreign Secretary Edgardo Paz Barnica gave details of what was discussed at that meeting.

[Begin recording] The meeting was called at the last minute because there were important points of interests to the country. First we analyzed the results of the visit to Honduras by Colombian President Belisario Betancur, to make record of the fact that the Colombian president expressed total support for the Contadora Group document drafted by Honduras, Costa Rica, and El Salvador and the statute on international verification and control on matters of security formulated by the same three countries. It is encouraging that the Honduran thesis, a global thesis based on the principles contained in our document, is recognized. The National Security Council also discussed the 13 soldiers and 1 officer of the Sandinist People's Army [EPS] who were captured in a 7-vehicle convoy in Honuran territory a few days ago in the southern part of the country for violating territorial integrity and national sovereignty. As you know, the Armed Forces issued a bulletin in this regard, and the Honuran Government protested energetically, noting that the convoy and its occupants had been treated with utmost consideration. This contrasts with the attitude assumed by the Sandinist government when it downed a Honduran helicopter that had penetrated the border between the two countries by mistake. In the case of the convoy, the Nicaraguan Government has explained that it was a mistake [words indistinct] they downed the helicopter causing the deaths of professionals and members of our Armed Forces.

Nonetheless, it was agreed that the return of these vehicles and the military personnel they carried can be negotiated in exchange for the return of all Honduran boats and prisoners detained by the Nicaraguan Government. This will be arranged through diplomatic channels. We also analyzed the bilateral negotiating process with the U.S. Government regarding aspects of security and economic cooperation and the preparation of various documents by subcommissions. At the end of April the high-level commission and the economic and security subcommissions will travel to Washington to continue negotiating with the representatives of the U.S. Government.

It was also reported that Foreign Minister Jose Vega Imbert of the Dominican Republic, a democratic country with which Honduras maintains cordial relations, will make an official visit to Honduras on 9 May. [end recording]

UNC ANNOUNCES LAND RECOVERY PLAN FOR PEASANTS

Manifesto Details Plan

PA120349 Tegucigalpa Cadena Audio Video in Spanish 1145 GMT 11 Apr 85

[Public manifesto from the National Peasants Union [UNC] to the Honduran people; dated 10 April]

[Text] The UNC states to the Honduran people in general, and the Honduran peasants in particular, the following:

While an acute crisis is being experienced by our country, caused by pressing problems that affect the largest sectors of Honduran society, our rulers and politicians in power engage in sectarian debates that heed only their personal and selfish ambitions, not caring that those who suffer the consequences are those who consciously or unconsciously trusted the demagogues who, using the banner of democracy, liberty, and justice, manipulate these concepts capriciously and according to their onw selfish interests and not those of the people, who watch day after day as the sacred interests of the homeland are violated and tainted.

Messrs Rulers, Messrs Politicians: Enough of so much deceit and abuse of power. Remember, one instant, those who elected you, who trusted you, and who have waited confidently for our problems to be resolved. What can you tell us about unemployment, illiteracy, malnutrition, the high cost of living, repression, and other ills that would take too long to enumerate, while the agrarian reform process has passed into history? It is a factor that could be fundamental to meeting the demand for jobs, increasing production and thus the general exportation of foreign exchange, and essentially, producing food to meet the demands of our people. But since this involves sensitive political and economic interests you will never do it. Only by using the valid instrument that is the organized struggle of the poor can we implement our desires. For that reason our organization adopts the following resolutions:

1. To stage a national operation to recover lands for more than 10,000 peasant families who for 8 years or more have been waiting for an answer from the National Agrarian Institute, INA, which has responded only with promises and lies. This operation is called "Martyrs of Pinuelas," in tribute to our slain companeros Matilde Aguilar, Dimas Argueta, and Martin Ortiz, who were killed exactly 1 year ago, on 10 April, in this department because of the apathy and lack of action by our authorities.

3. [As heard] To condemn energetically the abuse of power by the three branches of government -- executive, legislative, and judicial -- calling on them to be prudent and to set aside personal and sectarian interests for the sake of our fatherland.

4. To appeal to the solidarity of all the popular organizations who support our cause to express physical, moral, and material support for our struggle.

5. To call the attention of all our affiliated peasants organizations to await any new information and calls by our organization.

Issued in the city of Tegucigalpa on 10 April

For the UNC; neither men without land nor land without men.

Peasant Families Occupy Lands

PA132347 San Pedro Sula LA PRENSA in Spanish 11 Apr 85 p 3

[Text] Tegucigalpa -- Yesterday many groups of peasants began to occupy lands on a large-scale basis throughout the national territory. The movement began in the early morning in the country's north, particularly in Colon, Atlantida, and Cortes Departments, by about 40 peasants groups, including about 5,000 families. The action also included Santa Barbara, Olancho, Yoro and Comayagua Departments, where about 18 groups of peasants are scattered.

During the night about 10 groups moved through Choluteca and Valle Departments. All of these peasants are members of the UNC, which is supporting this nationwide operation economically and morally. UNC leader Marcial Caballero told the press that confusion has again been introduced in the agricultural system because of the lack of a proper agrarian reform, demanded many times before the INA and the president of the Republic. Caballero justified the peasants' determination to occupy 45,000 hectares and noted the reasons for their determination. He said: First of all, both agrarian authorities and the executive have shown indifference toward agrarian problems. Political activities now seem to be more important for many.

According to Caballero, Honduran President Roberto Suazo Cordova was warned that the peasants would not be held responsible for possible difficulties due to their desperate need for a tract of land now that the planting season is at hand. At that time a list of 197 peasant groups without land was presented to the president. The list included names, locations, numbers of families, and the supposed owners of the lands. The list was presented so that these peasants would be given land.

Before this operation various problems were settled through regular channels. They never wished to reach this extreme, in danger of a confrontation with the authorities, Caballero added. He was asked about the consequences for the peasants and the country of the mass invasion of lands. He answered: "This was carefully considered by the organization. They are willing to go to the final consequences." The operation has been named "Martyrs of Pinuelas," for murdered peasants Matilde Aguilar, Dimas Argueta, and Martin Cortes. The peasant leader said they will not be surprised by the authorities' possible reactions, considering their former experiences, the latest of which occurred in 1975 when their conflict was met with drastic measures.

Caballero said finally that the occupation is for an indefinite time, until the authorities offer them specific solutions, and that they are willing to sit down and hold a dialogue to find a solution to the problems, particularly of those families in urgent need of land.

INA To Take Action

PA140026 San Pedro Sula LA PRENSA in Spanish 11 Apr 85 p 2

[By Maria Orvelina Lopez]

[Text] Tegucigalpa -- Gustavo Alfaro, executive director of the INA, yesterday ordered regional directors to handle immediately the land invasion by members of the UNC. The order was issued in view of the land invasion begun early yesterday morning by members of the UNC in various parts of the country and encompassing large tracts of idle land.

Alfaro said that the land invasion is unjustified because the INA has been taking care of the demands for land made by the UNC when they are made in compliance with the requisites established in the agrarian reform law. Alfaro noted that the peasants have chosen a time when the country is facing a political crisis to try to create unrest in rural areas, an action that certainly will not benefit the democratic system established by the government of President Roberto Suazo Cordova. Alfaro said that the peasants' demands were denied because they were asking for land being efficiently exploited. He quoted Article No 170 of the Land Reform, which refers to the sanctions established for land invaders, which include denial for 2 consecutive years of the benefit of receiving any land plus having to abandon the land they are occupying.

Alfaro insisted that there is a legal procedure for the request and distribution of land, which the INA has been following. Alfaro accused peasant leaders throughout the country of promoting the organization of peasant groups which are asking for lands that are properly exploited by their owners.

In conclusion, he asked the land invaders to abandon their attitude because there are better ways to deal with the problem.

NICARAGUA

D'ESCOTO'S NOTE TO HONDURAN COUNTERPART

PA162236 Managua Radio Sandino Network in Spanish 1230 GMT 16 Apr 85

[Note from Foreign Minister Father Miguel D'Escoto Brockman to Honduran Foreign Secretary Edgardo Paz Barnica dated 15 April]

[Text] Your Excellency, Edgardo Paz Barnica, foreign relations secretary, Tegucigalpa, Honduras:

Mr Minister: I have the honor to address Your Excellency to acknowledge receipt of your official communique No 153-DA dated today, 15 April, in which you voice your disposition to repatriate soldiers and return the vehicles mentioned in my note dated 2 April.

You also say that you will return three boats held by the Honduran naval forces. Your Excellency also said that my government must respond to this action with the release of Honduran citizens detained in Nicaragua, as well as the return of boats sailing under Honduran flags in my country.

The Nicaraguan Government, acting in keeping with its usual peaceful inclination and in keeping with our wish to maintain cordial relations with neighboring countries, makes it known to the illustrious Honduran Government that, as can be confirmed in records dated 30 March and 10 April respectively, the return of all crew members of the boats Mrs Ellen, David H. Jr, and (?Drifter), has been ordered. The last two boats were returned on 9 March.

As for the first boat, it is at the disposition of the Honduran Embassy in Nicaragua. To facilitate compliance with agreements, we deem that the return of Nicaraguan soldiers and the seven trucks should be carried out directly between our corresponding national authorities as has been done on several occasions in the past at the request of the Honduran Government. I take advantage of this opportunity to reiterate to Your Excellency my appreciation and consideration.

[Signed] Miguel D'Escoto Brockman, foreign minister

POSSIBLE PROTEST OVER HONDURAS HOLDING MONDRAGON

PA120320 Managua EL NUEVO DIARIO in Spanish 11 Apr 85 p 8

[Text] Managua (ANN) -- Nicaragua will file a protest before appropriate international organizations over the retention at the Mexican Embassy in Honduras of a former military chief of the so-called "Nicaraguan Democratic Force" (FDN), who has been granted Mexican asylum since 14 March of this year. A diplomatic source who requested anonymity told ANN yesterday that "the Nicaraguan Government might decide to protest at international organizations, including the Contadora Group," in view of the fact that the authorities in Tegucigalpa have not granted safe conduct so that former counterrevolutionary leader Efren Mondragon Martinez can leave that country.

Since Mondragon sought asylum at the Mexican Embassy in Tegucigalpa the Mexican Government has been trying to obtain a safe-conduct, but so far the Honduran Foreign Secretariat has not replied to the request. The source added: "According to international law, the safe-conduct requested by Mexico must be granted."

Mondragon Martinez, better known as "Moises" within the FDN, sought asylum at the Mexican Embassy with nine other former Somozist guards on 14 March. They told the Mexican Embassy in Honduras that they wanted to return to Managua to accept the amnesty decreed by the Sandinist government on 10 January.

According to dispatches received here yesterday, the Mexican Foreign Secretariat continues trying to find a "strictly bilateral" solution in order to "prevent any confrontation with Honduras that could hinder the Contadora Group's negotiations." A new meeting promoted by the Contadora Group, considered "crucial in order to achieve peace in Central America," will begin today in Panama City. Honduras has charged Mondragon Martinez with common crimes while in Honduran territory. However, the other nine "contras" who were accompanying "Moises" at the Mexican embassy got their safe-conducts, mainly because the Tegucigalpa authorities considered them "small fish."

If the former FDN military chief managed to obtain his safe-conduct "he could be useful to Nicaragua, since he could supply further evidence on the existence in Honduras of a so-called "three-party counterinsrugency coordinating board" [coordinadora tripartita contrainsurgente], made up of the Honduran Army, the CIA, and the FDN, which has had the assistance of Argentine military advisers, according to dispatches from Mexico.

DANIEL ORTEGA MEETS WITH AMERICAS WATCH GROUP

PA162319 Managua Sistema Sandinista Television Network in Spanish 0200 GMT 15 Apr 85

[Text] Daniel Ortega Saavedra, president of the Republic and commander of the revolution, has met with the members of the Americas Watch mission who are visiting our country. Americas Watch group is a private U.S. organization that engages in the promotion and protection of human rights in the Western Hemisphere. The mission is headed by Owen Shell, president of the organization. The delegation arrived in Nicaragua for the purpose of closely observing the development of human rights in our country. Father Miguel D'Escoto, Nicaraguan foreign minister, and Companero Alejandro Avendano, secretary general of the Foreign Ministry, accompanied the companero president.

ALFREDO CESAR TO REQUEST U.S. AID FOR PEASANTS

PA140233 Paris AFP in Spanish 0215 GMT 13 Apr 85

[Text] San Jose, 12 Apr (AFP) -- Alfredo Cesar, coordinator of the anti-Sandinist Nicaraguan National Rescue and Conciliation Movement, has announced that he will discuss "the horrifying situation" facing some 100,000 peasants in southern Nicaragua and ask for "humanitarian aid" from the U.S. Congress. Cesar made this statement to AFP upon returning to this capital from a tour of southern Nicaragua, "which is controlled by rebel forces headed by former Sandinist Commander Eden Pastora."

Cesar detailed the dramatic situation he witnessed in the area located between the northern banks of the San Juan River, the Rama River, and the Caribbean Sea to the east, and the shores of Lake Nicaragua to the west, where, according to him, some 100,000 peasants are living. The anti-Sandinist leader said: "I had the opportunity to tour numerous places and meet with the civilian population, who lack the most basic sanitary and nutritional needs."

He added that in health matters there is extreme need, because the most basic medical supplies are lacking. As for nutrition, the peasants depend on what they manage to hunt and on aid from rebels of the Democratic Revolutionary Alliance (ARDE), headed by Eden Pastora. Cesar said: "Area residents have nothing but rags to cover their bodies and feel completely bereft of humanitarian aid." He added: "I was really shocked by what I saw."

He said that should this situation persist those peasants might migrate en masse to Costa Rica, although "they refuse with incredible stoicism to abandon their land." Cesar warned about a possible wave of Nicaraguan refugees into Costa Rica, which is already facing serious problems in this regard.

He said that he will discuss this situation with several U.S. congressmen, with whom he will meet in Washington on Monday, 15 April. Cesar did not specify how many days he would stay in the U.S. capital; however, he said that he would stay "as long as necessary to convince the congressmen to send humanitarian aid, which was promised by President Reagan, to the inhabitants of southern Nicaragua."

He added that upon returning to Costa Rica he will also discuss this problem with authorities of that country. Cesar made no reference to Pastora's combatants. He said: "My objective was to learn about the situation of area residents."

ITALY'S CRAXI ENDORSES U.S.-NICARAGUAN TALKS

PA132144 Managua Domestic Service in Spanish 0300 GMT 13 Apr 85

[Text] Today in Rome Italian Prime Minister Bettino Craxi told seven Republican senators from the United States that he supports a direct dialogue between Nicaragua and the United States. Craxi said: I feel that President Ortega is seeking a direct dialogue with the U.S. Government without prejudice or ultimatum. Craxi admitted that this is the feeling of many democratic leaders of Latin America and underscored that he does not believe this situation can be solved militarily. In conclusion, the Italian prime minister noted a recent telephone conversation with Nicaraguan President Commander Daniel Ortega Saavedra during which they spoke of the Nicaraguan situation, Reagan's plan, the Contadora Document, and the Nicaraguan Government's proposal to the United States to resume the Manzanillo talks to normalize relations between the two countries.

SRV'S NGUYEN HUU THO ARRIVES FOR VISIT

PA162302 Managua Sistema Sandinista Television Network in Spanish 0200 GMT 15 Apr 85

[Text] Dr Nguyen Huu Tho, president of the National Assembly and vice president of the Council of States [as heard] of the Socialist Republic of Vietnam, arrived in Nicaragua this morning. He was greeted by Commander of the Revolution Carlos Nunez, president of the Nicaraguan National Assembly. The Vietnamese delegation includes members and alternate members of the Central Committee of the Vietnamese Communist Party, and members of the Planning and Budget Commission of the Vietnamese National Assembly. Dr Nguyen Huu Tho has been outstanding in the struggle for the independence and liberation of Vietnam.

CONTRA ATTACK FROM COSTA RICAN TERRITORY REPORTED

PA161432 Managua Radio Sandino Network in Spanish 1200 GMT 16 Apr 85

[Text] Approximately 40 counterrevolutionaries who came from Costa Rican territory attacked the La Esperanza border post, 7 km southwest of San Carlos, on Saturday. According to a report from the high command of the 153d Military Brigade of Special Zone No 3, Rio San Juan, the mercenaries attacked with small arms and mortar fire. Here is a report by our correspondent in San Carlos, Fernando Corea:

[Begin recording] Here is a report from Rio San Juan for all Radio Sandino listeners: Approximately 40 counterrevolutionaries and mercenaries of the Nicaraguan Democratic Force and Nicaraguan Unity for Reconciliation attacked the La Esperanza border post, 7 km southwest of San Carlos, at 1830 on Saturday, 13 April. The attack lasted approximately 35 minutes and was launched from Los Chiles in Costa Rica, 6 km south of the border. The counterrevolutionaries fled to that same place using a [word indistinct] motor. Our troops vigorously repelled the mercenary attack with small arms and mortar fire and chased the enemy to an area near the border. On Sunday morning, 14 April, our forces found all types of military supplies which had been left behind and a trail of blood. This indicates that our forces inflicted many casualties on them. The supplies found indicate that some of them belonged to the Cuban mercenaries paid by the CIA. From the moment the first shots were heard, all the people took to their combat positions according to the plan of the Sandinist People's Militias. On Monday, Rio San Juan residents began to express rejection of the Reagan plan. Captain Alejandro Guevara, minister delegate for Special Zone No 3, issued a call to the working people to close ranks to counteract any aggression from Costa Rican territory. [end recording]

FURTHER REPORTAGE ON ECUADORAN LEADER'S VISIT

Tours Cienfuegos Facilities

FL161230 Havana Domestic Service in Spanish 1040 GMT 16 Apr 85

[Text] The people of Cienfuegos gave a warm reception to Ecuadoran President Leon Febres Cordero and the delegation he is leading upon their arrival in that city. They were accompanied by Commander in Chief Fidel Castro. The Ecuadoran leader, Fidel, and the other visitors toured the Tricontinental sugar shipping terminal. At the terminal's reception area, Thomas Castro, director of the center, explained its function, capacity and what it represents to the country's economy. Later the group headed by Febres Cordero and Fidel toured several different petroleum refinery project sites. Following the visit to the future petroleum refinery, the distinguished guests arrived in Juragua, where electrical-nuclear power station installations are being built.

Places Floral Wreath

FL161900 Havana Television Service in Spanish 1700 GMT 16 Apr 85

[Excerpt] Today, Mr Leon Febres Cordero, president of the Republic of Ecuador, accompanied by Commander in Chief Fidel Castro, president of the Cuban Councils of State and Ministers, placed a floral wreath before the bust of Eloy Alfaro, located in the Vedado, in this capital city.

Holds 2-Hour Meeting With Fidel

PA170041 Quito Voz de los Andes in Spanish 1130 GMT 16 Apr 85

[Text] It was learned that Ecuadoran President Leon Febres Cordero and Cuban President Fidel Castro spent more than 2 hours discussing Central America, the foreign debt, and bilateral relations. Febres Cordero arrived in Havana on Sunday at the invitation of Fidel Castro. He is accompanied by a delegation that includes, among others, Ecuadoran Foreign Minister Edgar Teran, other ministers, and important Quito government officials. Shortly after the first round of talks, the members of the Ecuadoran delegation said that the heads of state discussed the subjects of Central America and the foreign debt.

Tomas Borge, member of the FSLN National Directorate and Nicaraguan Interior Minister, was present at a reception hosted last night by the Cuban Government. His presence in Cuba caught the attention of the press and diplomatic circles. Nicaraguan Embassy personnel in Havana reported that Borge has been in Cuba for several days.

The problems of the foreign debt, its amount, causes, and consequences, and the fact that it is unpayable have been the main topics during a series of interviews recently granted by the Cuban head of state to various U.S., Spanish, and Mexican newspapers and television networks. Ecuador's foreign debt is approximately $7 billion, two times the amount owed by Cuba, and the two countries are in the process of renegotiating their debts.

Concludes Official Visit

FL161914 Havana Domestic Service in Spanish 1806 GMT 16 Apr 85

[Text] Commander in Chief Fidel Castro, president of the Councils of State and Ministers, saw off engineer Leon Febres Cordero, president of the Republic of Ecuador, at Havana's Jose Marti International Airport this afternoon.

The Ecuadoran head of state and his accompanying high-level delegation departed aboard a Tame, Ecuadoran Military Air Transport, Boeing 727-200, after Febres Cordero was accorded the protocol honors corresponding to his office as head of state. During his 3-day official visit to our country, the South American statesman held official talks, paid tribute to Jose Marti at Revolution Square, toured Los Naranjos livestock breeding enterprise, visited important projects in Cienfuegos, signed a document on credits, and attended a reception at the Palace of the Revolution.

USSR'S ARKHIPOV, DELEGATION ARRIVES IN HAVANA

FL160226 Havana Television Service in Spanish 0000 GMT 16 Apr 85

[Text] Ivan Arkhipov, first deputy chairman of the Presidium of the USSR Council of Ministers has arrived in Havana heading a high-ranking level delegation which will participate in the 15th session of the Cuban-Soviet inter-government commission beginning in Havana tomorrow. Commander of the Revolution Ramiro Valdez and Carlos Rafael Rodriguez, vice president of the Councils of State and Ministers, welcomed Arkhipov and his delegation at the Jose Marti International Airport. The bilateral meeting will be held to explore trade between the two countries and the development of scientific and technical exchange. The national state economic plans for the next 5 years and up to the year 2000 will also be coordinated at the meeting.

SWEDISH EDUCATION MINISTER ARRIVES FOR TALKS

FL161255 Havana Television Service in Spanish 0000 GMT 16 Apr 85

[Text] Kingdom of Sweden's Minister of Education Lena Hjelm-Wallen arrived in our country this afternoon. The distinguished visitor was met at the airport by Jose Ramon Fernandez, vice president of the Council of Ministers and minister of education. During her stay in our country, the Swedish minister will hold talks with Education Ministry officials and will visit such educational centers as the Exact Sciences Preuniversity School, the Batalla de Jigue School in the countryside, and the Presidente Allende Teachers Training School. She will also tour other institutions on the Isle of Youth.

MALMIERCA MEETS WITH OAU'S ONU IN ADDIS ABABA

FL161532 Havana Television Service in Spanish 1241 GMT 16 Apr 85

[Text] Addis Ababa -- The African and Latin American foreign debt situation has been studied in Addis Ababa by Cuban Foreign Minister Isidoro Malmierca and Peter Onu, secretary general of the OAU. The two leaders reviewed events in southern Africa, where the South African racists are carrying out a policy of aggression against the independent states in the region and repress the black majority of their country.

POLITBURO MEMBER LAUDS MUNICIPAL LEVEL MEETING

FL081410 Havana Television Service in Spanish 1140 GMT 8 Apr 85

[Text] Jose Ramon Machado Ventura, Politburo member, described the first municipal level reports meeting of this political organization in Pinar del Rio Province as positive. It was held in Candelaria and characterized by the depth, precision, and content level of the matters which were discussed.

LEZCANO PEREZ PRESIDES OVER HAVANA PARTY MEETING

FL041326 Havana Television Service in Spanish 1232 GMT 4 Apr 85

[Text] The ninth special plenum of the party's provincial committee in Havana has held its working sessions presided by its First Secretary Jorge Lezcano Perez, Central Committee member. Lezcano Perez gave a detailed report at the meeting on the economic work performed during the first two months of this year, which had been outlined by Commander in Chief Fidel Castro, first party secretary.

OFFICER DISCUSSES MILITIA TRAINING IMPROVEMENTS

FL111850 Havana Domestic Service in Spanish 1700 GMT 11 Apr 85

[Text] The massive integration of our people in the Territorial Troops Militia [MTT] made necessary the training of tens of thousands of cadres in a short time. But that hurried instruction brought with it certain organizational deficiencies that require special attention if we are to overcome them.

In his visits last year to different defense zones, Army General Raul Castro mentioned two basic points on which work is necessary: the need to make good use of the time available, and the need to improve the quality of instruction.

Barely a month after the beginning of the new training year, we visited MTT headquarters in the municipality of Marianao. There, Lieutenant Braulio Fabregas Carabaza spoke to us about the measures that had been taken.

[Begin recording] At the beginning of the training year, a series of measures were taken such as giving combat training to complete units. Calling up complete units for combat training is going to make it possible for us to train only one regiment on the same day. This will make more study materials available, and the number of instructors used in the training would be much higher. [end recording]

Lt Fabregas said that combat training used to be given in the municipality by calling together all the units on the same day. As a result, the study materials were insufficient for such a large number of militiamen. He also said the training did not have the required quality because of the poor methodological training of the instructors.

As for putting into practice the new plans for providing combat instruction in the Marianao municipality, Lt Braulio Fabregas said:

[Begin recording] One of the advantages we think we are going to obtain with the new method is that we will be able to use not only the regimental officers but we are also going to be able to count on Army Corps officers, which means a great number of well-trained higher-level officers. We even have a (?division) with a large number of well-trained officers and this will make it possible, on that day when the regiment is called in, for these superior officers to support us in combat training and, logically, to achieve greater quality in the militia training.

BARBADOS

TRINIDAD FOREIGN MINISTER ON MEETING WITH TULL

FL121514 Bridgetown CANA in English 1230 GMT 12 Apr 85

[Text] Bridgetown, Barbados, April 12, CANA -- Trinidad and Tobago's external affairs minister, Errol Mahabir, was in Barbados over the Easter weekend for a third round of discussions with his Barbados counterpart, Louis Tull, aimed at fostering greater understanding and cooperation between the two countries. The ministerial discussions, which come against the backdrop of strained relations between Bridgetown and Port-of-Spain over the past year, are to culminate in a summit between Barbados Prime Minister Bernard St John and his Trinidad and Tobago opposite number, George Chambers.

In an interview with CANA's Reudon Eversley and David Ellis of the independent Voice of Barbados (VOB) radio station, Mahabir spoke about the major problems facing both countries, related essentially to trade and aviation, and the approach to having them resolved. CANA today reproduces verbatim excerpts from the interview:

On the performance of the first bilateral cooperation treaty between Bridgetown and Port of Spain: The first bilateral agreement between Trinidad and Tobago and Barbados went reasonably well, although there were many areas which have been left unfulfilled. A number of projects have developed from those bilateral discussions, as you know. We had agreed on a joint venture for the establishment of the Arawak cement plant here in Barbados. That was a direct result of the bilateral discussions we had then. The emergence of Caricargo [Caribbean Carso] (regional freight airline) was also one of the developments arising from those discussions, so that by and large there have been manifestations of the success of those bilateral discussions.

One of the specific areas that was unfulfilled is a solution to the relations in aviation between Trinidad and Tobago and Barbados. That seemed to have escaped us over the years and this is one of the main issues to which we are now directing our attention.

On the new treaties expected to come out of the current talks: We have two documents to sign, one is a designation agreement in which Barbados will designate BWIA [British West Indies Airline] (the Trinidadian national airline) on certain schedules and the other is the bilateral (air services) agreement. Those two will be important steps forward. I do not think, however, they will completely satisfy the problems of Barbados in the sense that Barbados has a tremendous dependence on the tourist industry and would wish to see as many airline flights as possible bringing people from the North American Continent in particular to Barbados. So while those two agreements will be important steps forward, there are some other areas which have been identified in our discussions that relate to the bringing of tourists from non-scheduled areas, for instance, places like California, Houston, Atlanta, and Chicago where apparently there is a large body of tourists which would like to come to Barbados and we are going to examine joint arrangements there with Barbados in terms of wet leases and charters to bring tourists from those areas.

On why BWIA did not take up the two-year-old offer to fly these routes as proposed by Barbados: Well, as you know, Trinidad and Tobago's economy is not the same as it has been at the end of the 1970's and BWIA has been given a mandate to operate on a commercially effective basis. It must be viable and in pursuit of this mandate, BWIA has to be extremely careful to operate routes which it considers profitable. There have been many discussions between BWIA officials and officials of Barbados and I think we have taken the official discussions to a stage where it is now possible for a political input to be made into the situation and I do not think it will be long before the aviation matter between Barbados and Trinidad and Tobago is settled.

On whether the bilateral agreement will provide for cooperation on routes outside United States: That is possible. You must remember that we still have the European situation to deal with. Barbados Caribbean Airways flies to Europe, namely Frankfurt and Brussels. BWIA does not fly there. BWIA flies to London and it seems there is going to be some development there between BWIA and Barbados in the future. There's going to be closer cooperation between Barbados and Trinidad and Tobago.

On progress being made to resolve outstanding trade problems between Barbados and Trinidad and Tobago: It is true that Trinidad and Tobago is one of Barbados' main markets in Caricom and the problem as far as we are concerned is aggravated by the fact that we also have investors here in Barbados whose industries are suffering. But it was not that we set out deliberately to restrict goods from Barbados only. We had to take steps, because of the rapid drop in our foreign exchange position, to control our imports in the form of licensing which was for monitoring purposes and exchange control approval. I think trade between Barbados and Trinidad and Tobago during the period of these measures has dropped by about 40 million Barbados dollars and the Barbados Government in the recent bilateral discussions asked us to address this situation to see what we can do to increase the flow of trade from Barbados to Trinidad and Tobago. We have asked for a list of priority items because there are a host of items produced here in Barbados which are also produced in Trinidad and Tobago. We, too, have to manage our economy. At one time, we were a donor country in the Caribbean. Now with the reduction in the price of our chief export, oil, and the reduction in the level of production of oil in Trinidad and Tobago, our recurrent revenues are much lower than they were before. For that reason, we have to play a more careful role in managing our economy and this is why there appears to be a drop in trade relations between ourselves and not only Barbados, but all countries from whom we import. We have had to try to manage our imports.

On the timing of the Chambers-St-John summit: Well, you know the reason for the summit. The late Barbados Prime Minister Tom Adams wrote Prime Minister Chambers inviting him to come to Barbados to open the cement plant. Prime Minister Adams received a letter from Prime Minister Chambers in which Mr Chambers pointed out that a visit to Barbados would be better served not only by opening the cement plant but by addressing the number of problems which seem to affect Trinidad and Tobago and Barbados at the bilateral level, problems of aviation, trade, etc. He suggested that at ministerial level those problems should be addressed and, where possible, answers provided so that when the heads meet, it will be to sign agreements, for us to move forward. The meetings which I have had with Mr Tull have been quite productive. I think we now understand each other fully. The talks have been very very frank. We have agreed that we should look for an early meeting of the two heads of government. I do not know what the schedule of our prime minister will be, but certainly our prime minister will be here in July for the Caricom heads of government meeting. I know that Minister Tull has suggested to me that the Barbados Government would be happy to see a meeting of the heads even before the July meeting. Now that will depend on how quickly we are able to achieve the outstanding work we have to do and the arrangements of the two prime ministers, but what I am prepared to say is that efforts are being made for them to meet before July.

On whether Trinidad and Tobago considered any of Barbados' actions as an irritant during the trade impasse: I do not know where the feeling has come out that Barbados is an irritant to Trinidad and Tobago and vice versa. You know, the media has a way of building up these problems that are normal problems between two countries and give the impression that Barbados and Barbadians are not liked in Trinidad and Tobago and vice versa. Seriously, I don't think it will be fair to say that Barbadians have been irritating Trinidad and Tobago. The one problem that has really affected our relations over the years -- the major problem -- is the question of aviation. The one area which from the time I became involved in Caricom matters which appeared to cause problems between Trinidad and Tobago and Barbados has been the question of aviation and I think we are coming closer to resolving that now.

On areas of emphasis Trinidad and Tobago would like in any new cooperation treaty with Barbados: Well, as I explained, the main area is resolution of the aviation matter and of course the development of mutual trade. We would like to help Barbados on the clear understanding that trade is a two-way street and we, too, have manufacturers who are complaining about their inability to sell to other Caricom countries as well. For example, our trade with Jamaica has virtually disappeared and Barbados' trade with Jamaica has been affected as well. So trade relations and cooperation at all levels as have characterised our relations in the past.

On Trinidad and Tobagos foreign policy: During my tenure of office, I will not only seek to maintain the interest which Trinidad and Tobago has shown in Caricom, but I will do all I can to assist in enchancing those relations. I have given an indication that we intend to play a more positive role in dealing with a number of international issues than we have done in the past. On that assurance, you can conclude that there will be a much more aggressive foreign policy by Trinidad and Tobago. Some of the media have sought to describe us as abstainers in the past, but now we are a member of the UN Security Council and there are many crucial issues coming up before the Security Council and Trinidad and Tobago does not intend to be a silent partner. We intend to make our views heard, consistent with the policies which we have enunciated as fundamental to our country, and our Constitution, and be positive in the deliberations of the Security Council. You can adopt a non-aligned and pro-Western position depending on what the issue is, so it must be flexible.

GRENADA

FORMER PRIME MINISTER ON PRESENT CONSTITUTION

FL160201 Bridgetown CANA in English 2210 GMT 15 Apr 85

[Text] St George's, Grenada, April 15, CANA -- Former Grenada Prime Minister Sir Eric Gairy today dismissed government's move to review the Constitution as a waste of time. We have a good Constitution. The (1974) Grenada Constitution has never been given an opportunity to prove itself, Gairy told CANA. This is a complete waste of time, he said.

A three-man commission, headed by former St Kitts-Nevis Governor Sir Fred Phillips, begins public sessions tomorrow with a mandate fo find ways of increasing public participation in government.

Gairy, Grenada's first prime minister, said any future government formed by his Grenada United Labour Party (GULP) would restore the Constitution to its original form. The GULP, ousted by a left-wing coup in 1979, is not represented in parliament. It gained one seat in last December's general election but failed to take it up, alleging electoral fraud. Agriculturalist Marcel Peters, who won the seat for the GULP, broke with the party, took his place in parliament, and has been appointed opposition leader.

The commission has been asked to recommend the re-establishment of local government, abolished by the Gairy administration in 1968, and to allow for the citizens of Carriacou and Petit Martinique to have a special position in the administration of their affairs. It is also to recommend how parliamentarians would, in the face of persistent malrepresentation or other sufficient cause, be subject to recall by the people in their constituencies.

On the issue of recalling parliamentarians, Gairy was highly critical, saying people could be pulled down without cause or justification. This recall has a very adverse, far-reaching effect. It has to be gone into much more deeply than perhaps it has been gone into. It's not good, Gairy said.